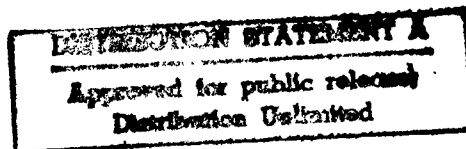


212247

JPRS-SEA-85-062

17 April 1985



19980813 102

# Southeast Asia Report

DTIC QUALITY INSPECTED 4

**FBIS**

FOREIGN BROADCAST INFORMATION SERVICE

REPRODUCED BY  
NATIONAL TECHNICAL  
INFORMATION SERVICE  
U.S. DEPARTMENT OF COMMERCE  
SPRINGFIELD, VA. 22161

7  
126  
A07

#### NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [ ] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

#### PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

17 April 1985

## SOUTHEAST ASIA REPORT

## CONTENTS

## AUSTRALIA

- Canberra Reaction To Failure of UN Nuclear Free Panel  
(THE EVENING POST, 11 Feb 85) ..... 1

## CAMBODIA

- Pro-DK Operative Assassinated in Paris  
(LE MONDE, 8, 9 Mar 85) ..... 2

## INDONESIA

- Editorial Discusses Cambodia Issue, Mokhtar Trip  
(THE INDONESIA TIMES, 18 Mar 85) ..... 5

## Briefs

- Outgoing Australian Ambassador Interviewed ..... 7  
New Zealand Minister on Cooperation With ASEAN ..... 7  
Opposition Party Chief Says No Conflict in Party ..... 7  
Jakarta Police Seize Explosives ..... 8  
Transmigration to Outer Islands ..... 8  
Transmigrants to Sumatra ..... 8

## MALAYSIA

- Commentary Hails U.S. Vote To Aid Cambodians  
(Kuala Lumpur International Service, 27 Mar 85) ..... 9
- Kuala Lumpur on Paramount Ruler's Address  
(Kuala Lumpur International Service, 28 Mar 85) ..... 11
- Official Meets Vanuatu Foreign Minister on Aid  
(Kuala Lumpur International Service, 28 Mar 85) ..... 13
- VOMD Views Lee Kuan Yew's 'Autocratic' Style  
(Voice of Malayan Democracy, 25 Mar 85) ..... 14

## Briefs

Oil Agreement With Brunei	17
Serawak Trade Surplus	17
1984 Trade Surplus	17
Trade With PRC Committee	17
Reduction in Oil Production	18
PAS Members Join UMNO	18
Minister on Iran-Iraq War	18
Illegal Thai Workers Deported	18
Bidong Camp Remains Open	19
Expressions of Grief Over War	19

## PHILIPPINES

Sydney Paper on Davao Loss, Mrs Aquino Popularity (Peter Hastings; THE SYDNEY MORNING HERALD, 12 Feb 85)	20
Columnist on Vice Presidential Elections Scenario (Vic Barranco; ANG PAHAYAGANG MALAYA, 27 Mar 85) ,.....	21
Tatad on Insurgency Situation, Opposition (Francisco S. Tatad; BUSINESS DAY, 1 Apr 85) .....	22
Columnist Hits ASEAN Policy on SRV, Cambodia (Benedicto David; BULLETIN TODAY, 19 Feb 85) .....	24
Australian Series Views, Analyzes Current Crisis (Peter Hastings; THE SYDNEY MORNING HERALD, 12-14 Feb 85)	26
Report on Embezzlement of KKK Funds (Jesus Bigornia; BULLETIN TODAY, 19 Feb 85) .....	34
MALAYA on Changing Alliances in Sugar Industry (Marlen Ronquillo; ANG PAHAYAGANG MALAYA, 20 Feb 85) ....	35
Business Group on Foreign Investment (BUSINESS DAY, 29 Mar 85) .....	36
Paper on IBRD Assessment of Philippine Economy (METRO MANILA TIMES, 1 Apr 85) .....	40
Zamboanga Mayor Considering Use of Secret Marshals (THE MINDANAO DAILY MIRROR, 12 Mar 85) .....	43
Editorial on Westinghouse 'Commission' in Nuclear Plant (ANG PAHAYAGANG MALAYA, 27 Mar 85) .....	44
Confessed NPA 'Sparrow' Discusses Killings (Fred M. Basanez; THE MINDANAO MIRROR-BULLETIN, 18- 24 Feb 85) .....	45

Reportage on NPA Encounters, Tactics, Casualties (Various sources, various dates) .....	46
16 Killed in Davao City .....	46
17 Killed in Iloilo .....	47
Paper Surveys NPA Attacks, by Daniel Floridal .....	48
Editorial on Using Liquidation to Intimidate .....	49
Further Details on Maritime Academy Raid .....	50
Paper on Effects of Militarization in Luzon (Joel D. Lacsamana; BUSINESS DAY, 28-29 Mar 85) .....	52
Former President Calls on Army To Help Restore Democracy (BUSINESS DAY, 1 Apr 85) .....	64
Briefs	
Radio Veritas Asks for Support .....	66
SINGAPORE	
Briefs	
British Envoy Presents Credential .....	67
Embassy Moved to Riyadh .....	67
THAILAND	
Chamber of Commerce Head on Export Drive, Investment (Somphon Susangkonkan Interview; WIWAT, 2-8 Mar 85) ....	68
MP Seeks Direct Trade, Less Tension With SRV (BAN MUANG, 10 Mar 85) .....	73
Phichai on Economic Relations With Japan (Phichai Rattakun Interview; CHAT ATHIPATAI, 10-16 Mar 85)	74
Saiyut on ASEAN Military Stance, Athit Extension (Saiyut Koetphon Interview; SIAM RAT SAPDA WICHAN, 10 Mar 85) .....	79
VIETNAM	
MILITARY AFFAIRS AND PUBLIC SECURITY	
Air Force's First Combat Victory Marked (VNA, 2 Apr 85) .....	84
INTERNATIONAL RELATIONS, TRADE AND AID	
Briefs	
Province Receives Soviet Gift .....	85
Peace Efforts of Indochina .....	85

Liberation Anniversary in Berlin	85
Congratulations to Ceauescu	86
PARTY ACTIVITIES AND GOVERNMENT	
Achievements of Judiciary Reviewed, New Tasks Indicated (NHAN DAN, 4 Feb 85) .....	87
Better Preservation of National Archives Urged (NHAN DAN, 4 Feb 85) .....	89
Pham Van Dong Speech on Doctors' Day--Part I (Pham Van Dong; Hanoi Domestic Service, 28 Mar 85) .....	91
Hoang Tung, Minh Luan Review Post-World War II (VNA, 1 Apr 85) .....	97
ECONOMIC PLANNING, TRADE AND FINANCE	
Socioeconomic Development of Mountain Areas Urged (Editorial; NHAN DAN, 4 Feb 85) .....	107
Party Secretariat Directive on Mountain Region Development (NHAN DAN, 4 Feb 85) .....	110
LABOR	
Labor Distribution Planned for 233 Districts Nationwide (NHAN DAN, 4 Feb 85) .....	118
HEALTH, EDUCATION AND WELFARE	
Nghia Binh Province 10 Years After Liberation (VNA, 2 Apr 85) .....	119

17 April 1985

## AUSTRALIA

## CANBERRA REACTION TO FAILURE OF UN NUCLEAR FREE PANEL

Wellington THE EVENING POST in English 11 Feb 85 p 4

[Text]

**UNITED NATIONS, Feb 10. —** A two-year attempt to increase the number of designated nuclear-free zones has ended in total failure and the United Nations panel that sought the accord will be disbanded, officials said yesterday.

Bhaichand Patel, secretary to the 21-nation group that included all five nuclear powers, said the aim was to establish non-nuclear zones in the Middle East, the Balkans, Northern Europe, Africa, South Asia and the South Pacific.

"They could not reach a consensus and, for the first time to my knowledge, the secretary-general will not be receiving a report from a group that he set up," Mr Patel said.

He indicated that difficulties which arose in the group's latest three-week, closed-door discussions came not from the major powers, but from such members as India and Argentina, both of which are said to have a nuclear potential.

"They believe the whole thing is unrealistic, a side-show," Mr Patel, who is from Fiji, told Reuters.

In Canberra, the Australian Foreign Affairs Department said the work of the South Pacific Forum group looking at setting up a nuclear-free zone in the region would not be affected by the failure of the UN panel to establish principles for a zone.

A senior spokesman said Australia was waiting for the head of its nuclear disarmament division, Mr Ron Walker, to confirm reports that the panel could not reach consensus.

Australia would be disappointed but not surprised, the spokesman said. "It was always known it was going to be a difficult task," he said.

The Foreign Affairs Department said last week the working group set up by the South Pacific Forum to examine the issues involved in establishing a nuclear-free zone in the region had made good progress following a four-day meeting in Canberra.

It is due to meet again in New Zealand in April, and report to a Pacific Forum heads of government meeting in Rarotonga in August.

The UN Secretary-General, Mr Javier Perez de Cuellar, who is in New Zealand, spoke earlier in the weekend of Latin America's nuclear-free zone treaty.

Latin America was very proud of its treaty declaring the whole hemisphere a non-nuclear area, he said. Only two countries had failed to sign it.

"We think this non-nuclear treaty is a good example to all the areas of the world. The United Nations philosophically supports non-nuclear areas."

The subject of the South Pacific's proposed nuclear-free zone and Anzus is likely to be raised when Mr Perez de Cuellar meets Mr Lange this afternoon.

Mr Perez de Cuellar said individual countries were to blame if UN decisions could not be implemented. — NZPA-AAP-Reuters.

CAMBODIA

PRO-DK OPERATIVE ASSASSINATED IN PARIS

Paris LE MONDE in French 8, 9 Mar 85

8 Mar 85 p 14

Possible Narcotics Involvement

[Text] Investigation of the murder of four Cambodians may shift to a political track. One of the victims reportedly ran a Khmer Rouge camp in 1975.

Discovery of an inscription over a door in the apartment where the bodies of four Cambodians were found on the night of Monday 4 March in the 13th arrondissement in Paris may be shifting to a political trail. The murderers in fact left a "signature" ... if indeed it develops that they were the ones who scrawled "Those who escaped the Cambodia genocide" over the living-room door on the 24th floor of the Tokyo Tower building, which is home to many Asians who have immigrated to Paris, could explain the execution-style murder of Try Meng Huot, 40, his wife, his sister-in-law and her friend, all of whom were shot through the head.

Detectives from the Criminal Brigade, led by Inspector Morin, have tried to reconstruct the train of events that led to the tragedy. It now appears that the killers achieved access to the 7-room apartment occupied by Try and his family at around 2000 hours. They killed the three persons they found there, as if to eliminate any witnesses, and stayed on to await the arrival of Try Meng Huot. When he came in at around 2030 hours he was immediately shot. Another occupant of the apartment, returning at about 2100 hours, discovered the bodies. Try Meng Huot was still clutching his key-ring in his right hand.

The writing over the living-room door may refer to former activities and even involvement in crimes on the part of Try Meng Huot. Born in Kandal, Cambodia, Try had been living in France since 1970, though he made frequent visits to his homeland. As a member of the Angkar organization under Khmer Rouge leader Pol Pot, he reportedly also ran a Khmer Rouge camp in 1975.

Since 1982, Try had taught at the Polytechnic School in Massy-Palaiseau (Essone), where he was assigned to applied chemistry.



A close-mouthed man, not involved in any visible political activity, he had never attracted any particular attention. His past, however, continued to haunt him, considering that the memory of the genocide committed from 1975 to 1979 by the Khmer Rouge government, resulting in the deaths of more than 1.5 million people, is still very vivid among the Cambodian community in Paris.

#### Narcotics involvement? Still a Possibility

Police investigators, however, still refuse to rule out any angle that might shed light on this quadruple murder. The "Asiatic channel" in the drug trade is very active in the French capital, where Chinese and Cambodian expatriates are vying for control of the heroin traffic. Try's access to chemical laboratories plus his background and knowledge might have attracted the attention of the narcotics dealers. In addition, the presence of sewing equipment in the victims' apartment could steer the investigation toward the thriving high-fashion knock-off underground, another specialty of the Asiatic ethnic groups in Paris' 13th arrondissement. A special team of detectives from the 6th Police District, which had recently broken up one such couture counterfeiting operation, had gone to Tokyo Tower, but had not searched Try Meng Huot's apartment.

9 Mar 85 p 12

#### Victim's Background, Internecine Strife Noted

[Text] Inquiry in the murder of four Cambodians on Monday 4 March in an apartment in the 13th arrondissement in Paris, is coming together around the background of one of the victims, Try Meng Huot.

Police from the criminal brigade confirm reports that they are leaving no stone unturned in pursuit of the killers. Heinous crime, drug-dealing, forged shipping papers, an underground high-fashion counterfeiting ring -- all are possible avenues of approach. However, the possibility of political retribution and vengeance involving Try's past life is one they are studying very closely. It has led investigators to expand their inquiries among the many factions of Cambodian refugees, whose feuds and rivalries are by no means spent, despite the superficial calm.

Born in Kandal, Cambodia, Try first came to France in 1969 to continue his studies in chemistry. He became a member and then treasurer of a student association with ties to the Khmer Rouge. When they took power in Phnom-Penh, in 1975, Try rejoined his comrades. He was made deputy director of a "rehabilitation camp."

#### "Executioner"

A few months later, he returned to France and found employment as an assistant in practical applications of analytical chemistry at the Polytechnic School. Try Meng Huot did not, however, sever his ties with his homeland. He went there on several occasions to visit during school vacations. The Khmer Rouge genocide under the

Pol Pot regime, which claimed more than a million and a half lives, seemed not to affect his convictions.

When Vietnamese troops overthrew Pol Pot in 1979, Try was one of many of his compatriots fleeing the invasion, and he found sanctuary in a Thai camp close to the Cambodian border. Recognized, reported, spurned as an "executioner" by Khmers, Try managed, thanks to the intervention of an "emissary" acting in a private capacity for the Ecole Polytechnique, to get out of Thailand and back to France. He acquired French citizenship last January.

The stigma of such a political involvement could thus explain the slaughter in Tokyo Tower in the heart of the capital's Asian quarter. An inscription over the living-room door in the apartment that was the scene of the tragedy would seem to bear out that theory: "The survivors of the Cambodia genocide." It might do so, unless the killers purposely set out to disguise a squalid gangland killing as a political assassination. Ten years after the carnage in Cambodia, the memory of that horror -- revealed in a film called "La Dechirure" -- is very much alive within the exile community, very much turned inward upon itself and not so calm as it looks. In January 1983 a street-brawl between supporters of the Lon Nol government, then in office, and those who favored Sihanouk brought death to one man and wounded seven at the Cite Universitaire in Paris.

6182

CSO: 4219/45

INDONESIA

EDITORIAL DISCUSSES CAMBODIA ISSUE, MOKHTAR TRIP

BK221221 Jakarta THE INDONESIA TIMES in English 18 Mar 85 p 2

[Editorial: "Mokhtar's Visit to Hanoi"]

[Text] While writing this editorial, Indonesian Foreign Minister Mokhtar Kusumaatmaja is still in Hanoi. He already met his counterpart, Vietnamese Foreign [Minister] Nguyen Co Thach. Though before leaving Jakarta, Foreign Minister Mokhtar stated that his visit was a return visit and he would discuss bilateral relations between the two countries, yet the press report from Hanoi opined that a series of talks conducted by the two foreign ministers would focus on the Kampuchean crisis after Vietnam had succeeded in overcoming all the strongholds of the armed forces of the Democratic Kampuchean Coalition Government headed by President Sihanouk. The last stronghold, Ta Tum, fell into Vietnamese hands last Monday. But so far no content of the talks has leaked out. Foreign Minister Mokhtar is supposed to meet Vietnamese Prime Minister Pham Van Dong also.

Before Foreign Minister Mokhtar's arrival in Hanoi, Australian Foreign Minister Bill Hayden had already completed his visit to Hanoi in his effort to help settle the Kampuchean question peacefully. He was told by Hanoi and Phnom Penh that a political settlement could be achieved through an international conference of Southeast Asian states attended by the permanent members of the United Nations Security Council, with the condition that Pol Pot and Ieng Sary from the Khmer Rouge regime would not participate. This position seems to have been supported by the Soviet Union. Soviet Deputy Foreign Minister Mikhail Kapitsa stated in Sydney on Friday that an international settlement of the Kampuchean conflict was possible if the Pol Pot regime did not participate in any talks.

Foreign Minister Mokhtar must have by now already received full details of the Vietnamese latest position of which he will brief the Thai foreign minister on his way back to Jakarta as well as other ASEAN foreign ministers later.

During his visit, he must have also raised the question of the Vietnamese violation of Thai territory which makes the question of Kampuchea more complicated and difficult to solve. Indonesia has already declared its opposition against violation and called on Vietnam to respect territorial integrity of Thailand.

We presume that with the previous declaration by the Indochinese states that they support the principles of the withdrawal of the Vietnamese troops from Kampuchea, self-determination for the Kampuchean people, elections to be

observed by an impartial international body and deployment of international peacekeeping force, the Indochinese states have come close to the ASEAN countries' position as formulated in the ASEAN-supported United Nations resolutions. Our hope is that Indonesian Foreign Minister Mokhtar, who is the interlocutor of ASEAN, has come to the same conclusion as we have.

If our presumption is right, there is as yet a very difficult question for ASEAN to overcome, namely how to eliminate Pol Pot and Ieng Sary from the Democratic Kampuchean Coalition Government. True in the recent fightings the Khmer Rouge was defeated by Vietnam but not eliminated. A few days ago Beijing assured Thailand that it would continue its help and support to the Pol Pot clique and the Khmer Rouge. Therefore, in order to drop Pol Pot and Ieng Sary and to eliminate the Khmer Rouge as a military factor, Beijing will have to be persuaded and compensated somehow or the other. Once this target is achieved, the question of violation of Thai territorial integrity by the Vietnamese forces will disappear by itself. Perhaps better relations between the Soviet Union and the People's Republic of China will contribute to the solution of the Kampuchean question.

We are racing against time. If there is no prospect of a political settlement, the Indochinese states have warned that they will solve the question in their own way within 5 to 10 years.

CSO: 4200/675

INDONESIA

BRIEFS

OUTGOING AUSTRALIAN AMBASSADOR INTERVIEWED--Australian Ambassador to Indonesia Rawdon Dalrymple has stressed that there are still many misunderstandings between Indonesia and Australia, especially among the nongovernmental circle. In an interview with the national news agency, ANTARA, in connection with the expiry of his term in Indonesia, Ambassador Dalrymple is of the view that there is still much to do in the circle of nongovernment. This includes cultural exchange and [words indistinct] institutes between the two countries. Dalrymple hopes that the Indonesian Government take new initiatives and efforts to develop the two countries' relations. Dalrymple left Indonesia today and will hold the post of his country's ambassador to the United States in Washington. [Text] [Jakarta International Service in English 0800 GMT 27 Mar 85]

NEW ZEALAND MINISTER ON COOPERATION WITH ASEAN--The New Zealand Government has a great interest to boost cooperation with the member countries to the Association of Southeast Asian Nations, especially in the field of economy and trade. Trade Minister Rakhmat Saleh disclosed this to the press in Jakarta yesterday after receiving New Zealand's trade delegation led by Trade and Tourism Minister Mike Moore. Trade relations between Indonesia and New Zealand in the previous years did not show a good atmosphere in its development because New Zealand was more oriented to Europe than to Asia. But as of late, it had turned its attention to Asian countries, including Indonesia. Minister Rakhmat Saleh said, New Zealand's population has acquired high income per capita making Indonesia want to take the advantages of the market in the country. Indonesian export to New Zealand last year reached \$200 million, while its import stood at \$100 million. [Text] [Jakarta International Service in English 0800 GMT 28 Mar 85]

OPPOSITION PARTY CHIEF SAYS NO CONFLICT IN PARTY--The general chairman of the Central Executive Council of the United Development Party [PPP], J. Naro, has called on all party members to remain vigilant against rumors aimed at splitting the party organization. Opening the party's Riau provincial chapter conference in Pekanbaru last night, J. Naro said the PPP will never adopt religion as a national ideology. He also reiterated that there is no ideological conflict within the party. The PPP chief also said that in the Pancasila state, there is no need to ask a licence for missionary activities. However, he reiterated that he will request the state apparatus to take action against those who abuse missionary activities for instigating the public. [Text] [Jakarta Domestic Service in Indonesian 1000 GMT 28 Mar 85]

JAKARTA POLICE SEIZE EXPLOSIVES--Police seized three sacks of explosives from the house of a gem stone seller in the Kali Baru district of North Jakarta, a report says. Police raided the gem seller's house late last Saturday and discovered 45 kg of explosives neatly packed in cement sacks, SINAR PAGI daily reported Monday [25 March]. Meanwhile, POST KOTA daily, also reporting the same case, added that besides the 45 kg, another 50 kg had been transported to East Java. [Excerpts] [Jakarta THE JAKARTA POST in English 26 March 85 p 1 BK]

TRANSMIGRATION TO OUTER ISLANDS--As many as 100,622 families were resettled from Java to outer islands from 1 April 1984 to 30 March 1985. The Transmigration Department discloses that 255 families will leave Java on 31 March for resettlement areas in South Kalimantan, Jambi, East Kalimantan, and Irian Jaya. [Summary] [Jakarta Domestic Service in Indonesian 2300 GMT 30 Mar 85 BK]

TRANSMIGRANTS TO SUMATRA--On 26 March, 90 families left Central Java for resettlement areas in Sumatra. The Central Java office of the Transmigration Department disclosed that they will be resettled in Lahat and Jambi. [Summary] [Jakarta Domestic Service in Indonesian 2300 GMT 26 Mar 85 BK]

CSO: 4213/189

MALAYSIA

COMMENTARY HAILS U.S. VOTE TO AID CAMBODIANS

BK271109 Kuala Lumpur International Service in English 0800 GMT 27 Mar 85

[Unattributed commentary]

[Text] The decision by the prestigious foreign relations subcommittee of the United Nations [as heard] Congress to approve \$5 million in aid for noncommunist Kampuchean forces is good news not only for the resistance movement in Kampuchea but for ASEAN as a whole. Nothing could be more conducive to boost the morale of the Kampucheans who are fighting to free their homeland of an aggressor who does not even respect the territorial integrity of a patient neighbor, Thailand.

In the dark days before the Second World War, there were fascist aggressors like Hitler and Mussolini, as well as the militaries of Japan, who used force against one country after another. If they had been checked when they began their policy of slow-motion aggression, the world could have been spared the colossal suffering it underwent when war broke out. A few weeks ago, there was much anxiety among the ASEAN bloc that the rest of the world seem to be so apathetic about the tragedy that was being enacted in the Thai-Kampuchean border. Nothing encourages an aggressor more than the feeling that he can keep on invading one country after another. While the People's Republic of China was openly aiding the Kampuchena resistance group, the American Administration had been keeping aloof. The world and ASEAN do understand that the Americans dread being caught up in a situation similar to that in which they were embroiled in Vietnam up to 10 years ago. At the same time the U.S.A., after proclaiming its policy of aiding small nations to maintain their sovereignty, cannot be indifferent to the troubles and anxieties of an important regional bloc like ASEAN. No doubt the Americans have provided significant humanitarian assistance, as well as accepting many refugees from Kampuchea for resettlement in the U.S.A., but with Vietnam's aggressive policies beginning to threaten Thailand, the U.S.A. is morally obliged to do more to save this region from undesirable consequences.

The Americans have been able to find a solution to the problem of how to avoid aiding the Khmer Rouge faction in the Kampuchean coalition. They have decided to channel their assistance to Mr Sonn San's Khmer People's National Liberation Front and to the forces of Prince Norodom Sihanouk. No one can object to the selective assistance policy, because it is in harmony with the ultimate goal, which is simply to respond in a credit manner to the Vietnamese challenge. There

ought to be no difficulty about providing more military aid to Thailand as well, as it has been bearing the brunt of the resistance to Vietnam's military machine. There is another good reason why the U.S.A. should provide aid to Kampuchea. The subversive and procommunist elements in the entire ASEAN bloc would be deterred from attempting to pursue any desperate plan to spread their ideology by force. The American decision is most welcome and, in the words of Prince Sihanouk, the U.S.A. should not continue to have trauma about Vietnam.

CSO: 4200/706



MALAYSIA

KUALA LUMPUR ON PARAMOUNT RULER'S ADDRESS

BK281434 Kuala Lumpur International Service in English 0800 GMT 28 Mar 85

[Unattributed commentary]

[Text] The yang di-pertuan agong [paramount ruler -- FBIS], the head of state of the Federation of Malaysia, in his address to the opening of the new session of Parliament this week, spoke on some aspects of Malaysia's foreign policy. Specific mention was made of Malaysia's role in ASEAN. Malaysia, being a founder member of this dynamic regional organization, takes pride in its involvement in making ASEAN an even stronger entity. ASEAN began primarily as an economic organization, but it has gradually involved machinery for the coordination of policies and common actions in economic, social, and political fields.

His majesty's address reiterated Malaysia's stand on the Kampuchean issue. Malaysia is committed to searching for a comprehensive political settlement of the problem of Kampuchea. Malaysia also stands for the concept of regarding Southeast Asia as a zone of peace, freedom, and neutrality, or ZOPFAN. Malaysians are proud of the fact that it was in the Malaysian capital of Kuala Lumpur on 27 November 1971 that the ASEAN foreign ministers endorsed the concept of a Southeast Asian zone of peace, freedom, and neutrality. Defense cooperation between the ASEAN countries remains on a bilateral basis. Although developments in the Indochina region have been of concern to ASEAN, its members are determined to preserve the nonaligned and nonmilitary character of the organization. The strengthening of cooperation and solidarity among the member countries of the Organization of Islamic Conference is the cardinal principle of Malaysian external relations, and it was mentioned by his majesty in his address.

Yet another element of Malaysia's foreign policy is its active role in the Nonaligned Movement, the Commonwealth, and in the United Nations. As a trading nation, Malaysia is aware of the importance of widening its contacts with the community of nations, particularly in this [words indistinct] when greater international cooperation is really both vital and necessary.

In this connection, in his speech from the throne, the Malaysian head of state confirmed the government's intention to continue to implement the technical cooperation program. Malaysia has a rapidly growing scheme for assisting the smaller and poorer nations in South Pacific, South Asia, and in Africa. It is conscious of its obligations to the international community, and although lacking the abundance of economic resources and the sophisticated technology of the

highly industrialized nations, Malaysia does provide, for example, education and training awards for students and government officials from other nations in a variety of fields. Malaysia has concentrated on those areas in which it is preeminent. Rubber research, antirsubversion, and public administration are three well-known areas in which Malaysia has been providing assistance, but many more areas are being added. In this manner, Malaysia maintains an outward-looking policy, and thus its share for the promotion of peace and goodwill among nations.

CSO: 4200/706

JPRS-SEA-85-062  
17 April 1985

MALAYSIA

#### OFFICIAL MEETS VANUATU FOREIGN MINISTER ON AID

BK281038 Kuala Lumpur International Service in English 0800 GMT 28 Mar 85

[Text] Malaysia is considering how best it could help Vanuatu under a technical aid program. The deputy minister of foreign affairs, Mr Kadir Sheikh Fadzir, said one of the areas being looked into is the tourist industry. So far, Malaysia has supplied cocoa seeds to Vanuatu, and the plant seems to grow very well in that country. Mr Kadir Sheikh Fadzir said this to reporters after meeting the visiting foreign affairs minister of Vanuatu, Mr (Sela) Molisa, who called on him in Kuala Lumpur today.

CSO: 4200/706

MALAYSIA

VOMD VIEWS LEE KUAN YEW'S 'AUTOCRATIC' STYLE

BK270331 Voice of Malayan Democracy in Malay 1215 GMT 25 Mar 85

["News Commentary": "Lee Kuan Yew's Arbitrary Action"]

[Text] On 9 August 1965, Singapore withdrew from the Federation of Malaysia to establish the Republic of Singapore. In December of the same year, the Socialist Front -- the largest opposition party in the Singapore legislative assembly -- boycotted parliament to protest the hypocritical parliamentary democracy. In October 1966, the Socialist Front officially announced the withdrawal of all its members of parliament from the parliament to launch a mass struggle in the streets. On 13 April 1968, Singapore held its first parliamentary elections following its independence. The People's Action Party [PAP] manage to monopolize all the 58 parliamentary seats as a result of the Socialist Front's boycott of this elections. Subsequently, three parliamentary elections were successively held in Singapore in 1972, 1976, and 1980 without any real opposition parties due to many factors.

First, the PAP used power to suppress opposition parties and all progressive figures and to create a white terror causing the people to be generally afraid of taking part in politics.

Second, progressive figures and organizations subjected to the PAP'S suppression and harrassment lost confidence in parliamentary elections. In a situation where democracy was practically dead, it was not surprising that the PAP successively managed to win all the parliamentary seats. Domestic and foreign figures criticized the existence of a parliament without opposition parties. However, the PAP insisted on saying that a one-party dictatorial parliament is also democratic. The PAP claimed that parliamentary elections on the one-man-one-vote basis held in every 4-5 years reflect the existence of democracy. It has even said that a parliament without opposition parties is the people's choice. In fact, it has overtly threatened democracy and deceived the people.

The secretary general of the Workers Party, lawyer J.B. Jeyaretnam, defeated the PAP candidate in the by-election held in Anson in October 1981. Jeyaretnam became the first opposition member of parliament since the Socialist Front withdrew from parliament. For several years, the public has seen that the opposition member of parliament has been harrassed by the PAP. Le Kuan Yew considers Jeyaretnam a thorn in the flesh and badly wants to expel him from the parliament to regain total control of the parliament. Le Kuan Yew has

underestimated and slandered any opposition party figures. He assumes that only the PAP is capable of making progress for Singapore and considers all opposition parties to be incapable. Le Kuan Yew allows no opposition in the parliament.

However, to neutralize the people's dissatisfaction with the PAP'S tyrannical dictatorship and their desire for opposition party members in the parliament, Lee Kuan Yew proposed the idea of having so-called nonconstituency members of parliament to demonstrate that he himself wants to have opposition party members in parliament. His objective is to deceive the people. In fact, Lee's real attitude toward the presence of opposition members in the parliament was totally revealed in his reaction to the outcome of the latest general elections.

The PAP has formed its government for the fifth time after winning 77 of the 79 parliamentary seats contested in the general elections on 22 December 1984. The PAP list the Potong Pasir and Anson constituencies to the secretary general of the Singapore Democratic Party [SDP], Chiam See Tong, and the secretary general of the Workers Party, lawyer J.B. Jeyaretnam respectively. Opposition parties broke the PAP'S total control of all the parliamentary seats for the first time in general elections since independence. In addition, the PAP'S share of votes in the latest general elections decreased by 12.6 percent. All this fully testifies to the immediate desire of the Singapore people, particularly the voters in the Potong Pasir and Anson constituencies, for democracy and the need to have competent opposition party members. Not only has the PAP refused to humbly review its rule policies but it has even acted arbitrarily.

Following the announcement of the outcome of the elections, Lee Kuan Yew, who gets angry easily, arbitrarily scolded voters by claiming that the voters had exerted pressure on the government with their votes in order to be accorded special attention. He said that they are not politically far-sighted but are merely concerned with practical issues such as employment, residence, and housing prices. Le Kuan Yew said further that the PAP would suspend meetings with the people and services in the Potong Pasir and Anson constituencies. Certainly, the people in the two constituencies will not be able to enjoy certain normal welfare services.

This is totally against the spirit of parliamentary democracy. What are elections for if the people are forbidden to choose between the ruling party and opposition parties? How can such elections be considered as just if the voters are punished for election opposition parties? Lee Kuan Yew's action is nothing but an effort to kill democracy. He has been incessantly saying that he welcomes opposition parties in the parliament, so his statement is nothing but an attempt to deceive the people. What is more surprising is that in his press conference following the announcement of the election results, Lee Kuan Yew said that the voters had cleverly intimidated the government with votes. He added that if this trend continued, the one-man-one-vote system would be weakened. Consequently, he said that his government could try to amend the system to prevent this trend from developing to an uncontrollable level. The first deputy prime minister and concurrently defense minister in the new cabinet, Goh Chok Tong, also said that a decline in the number of votes for the PAP in the latest general elections reflected the existence of the so-called hidden weakness in the one-man-one-vote system in Singapore. He said further that the first duty of the new cabinet was to make a thorough inquiry into this system.

It is still fresh in the public's minds that the PAP'S total control of all the seats in every general elections in fact depended on the one-man-one-vote system. The system has so far been hailed as a vital factor in democratic elections. However, Lee Kuan Yew now says that he will review the one-man-one-vote system as a result of a decline of the PAP's share of votes and its defeat in two constituencies in the latest general elections. This is really the behavior of a wicked leader. He only wants his own party to win and achieve total victory. His own party must win. He can no longer tolerate opposition parties and the people gaining little successes. Is this (?the style) of the politician educated at Cambridge University? It is not surprising that domestic and foreign figures have criticized the PAP'S action and predicted that the PAP'S future policies will be more restrictive and autocratic than now.

The public considers that the Lee Kuan Yew regime will be more autocratic as demonstrated by its negative attitude of acting recklessly and underestimating voters before and after the latest general elections. For example, Mah Bow Tan -- the PAP candidate in Potong Apsir -- and Ng Pock Too -- the PAP candidate in Anson -- who were rejected by voters, are two among the six candidates

considered by Lee Kuan Yew to be potentially higher (?than other) members of parliament. Lee Kuan Yew stubbornly wanted the voters to accept them as members of parliament. As soon as the general elections ended, in disregard of the people's desire and by bullying voters, Lee Kuan Yew immediately made an arrangement for several members of parliament to resign to enable the two political candidates that he eagerly wanted to install to enter parliament through by-elections.

Not long ago, when touching on future candidate for the prime ministership, Lee Kuan Yew said proudly that his son, Lee Hsien Loong, has the qualifications to be elected as prime minister. In addition, he is making preparations for himself to hold a future powerful presidency. All this has further demonstrated Lee Kuan Yew's impudent and arbitrary action. He is monopolizing everything, considering Singapore as his personal property, and bullying the Singapore people arbitrarily. It is not surprising that he holds firm control of the parliament and forbids any opposition parties to voice the people's views in the parliament.

The government has successively increased taxes on the broad masses following the formation of the new cabinet. For example, entering 1985, all (?parking) coupon fees for cars and trucks were increased from S \$5 to S \$50. It has been reported that the amount of investment by international capital groups in Singapore had reached S \$10.5 billion by 1983. Foreign investments totalled S \$900 million during the January-August 1984 period, while new local investments only amounted to S \$400 million during the same period. Lee Kuan Yew has been actively serving international capital groups. It can be ascertained that to strengthen his family dynasty, Lee Kuan Yew will not only be more politically autocratic and more dependent on imperialist capital groups but it will also intensify its socio-election exploitation of the Singapore people.

Consequently, the Singapore people can do nothing but broadly unite against the autocratic dictatorship of and suppression by the Lee Kuan Yew clique and launch further struggles to defend democracy and improve the people's life.

MALAYSIA

BRIEFS

OIL AGREEMENT WITH BRUNEI--Petronas [National Petroleum Corporation] and Brunei Shell have signed an agreement for the exploitation of the (Caribaram) oil field, which straddles the Sarawak-Brunei boundary. The agreement was signed in Kuala Lumpur by the managing director of Petronas, Datuk Rustam Hadi, and the managing director of Brunei Shell, Mr (Nico Van Dick). In his speech, Datuk Rustam said the agreement (?finalized) the earlier interim agreement which enabled the oil field to be exploited by both parties without interruption. The new agreement spells out in comprehensive terms each party's equitable share of the hydrocarbon in the field. Negotiations for the agreement began in 1976. [Excerpt] [Kuala Lumpur Domestic Service in English 1130 GMT 22 Mar 85 BK]

SERAWAK TRADE SURPLUS--According to the Serawak state statistics department, the state recorded a trade surplus of M\$4,094 million in 1984, an increase of M\$1,006 million, or 33 percent, over the figure in 1983. Its total revenue from export amounted to over M\$7,610 million against its imports of M\$3,500 million. The main sector for the improved performance last year was the sharp increase in the export earnings from liquefied natural gas, which surged by 114 percent. Higher export receipts from crude petroleum, sawn logs, and the general improvement in the performance of main agricultural commodities also contributed to the increase. Japan remains the state's main trading partner. [Summary] [Kuala Lumpur International Service in English 0800 GMT 24 Mar 85 KB]

1984 TRADE SURPLUS--Malaysia recorded a 5,700-million ringgit trade surplus last year compared with 2,000 million ringgit in 1983. The value of last year's exports amounted to about 39,000 million ringgit, an 18-percent increase over 1983. Replying during question time at the House of Representatives, the deputy trade and industry minister, Datuk OO Gin Sun, said despite the rising protectionism in developed countries, the market for Malaysian goods is still good. [Text] [Kuala Lumpur International Service in English 0600 GMT 28 Mar 85 BK]

TRADE WITH PRC COMMITTEE--The Government has set up an inter-Ministry committee to look closely into the prospects of having more direct trade with China, Trade and Industry Minister Tengku Razaleigh Hamzah told the Dewan Rakyat [House of Representatives]. The committee is chaired by the Foreign Ministry. It has been entrusted with the task of finding effective ways to promote the smooth flow of bilateral trade with China, Tengku Razaleigh said, responding to a supplementary question from the DAP [Democratic Action Party] MP for Kuala

Lumpur, Mr Lee lam Thye. He said it was the aim of the Government to expand its direct trade with China and plans have already been made to improve this. [Excerpt] [Kuala Lumpur NEW STRAITS TIMES in English 27 Mar 85 p 5 BK]

REDUCTION IN OIL PRODUCTION--Malaysia has decided to reduce crude oil production by 40,000 barrels per day (bpd) in support of Opec's efforts to stabilise oil prices. Minister in the Prime Minister's Department Datuk Dr James Ongkili said yesterday the reduction was to help efforts to maintain crude oil prices at a profitable level. He said Malaysia had not received any official request from Opec to cut oil production. "I also wish to explain that Malaysia does not lose 40,000 barrels daily. The oil remains in the oil wells and is part of the reserves for later use." [Excerpt] [Kuala Lumpur NEW STRAITS TIMES in English 27 Mar 85 p 5 BK]

PAS MEMBERS JOIN UMNO--Kota Baharu, 8 March--As many as 65 Pan Malaysian Islamic Party [PAS] members from Kampung Kubang Kali, Pasir Mas, declared their mass withdrawal from the party to join the Kampuchang Jenerih Perol division of the United Malays National Organization [UMNO] yesterday. The chief of UMNO's Pasir Mas division, Haji Hassan Ismail, witnessed their declaration of withdrawal from PAS to become UMNO members in a single ceremony in the village. The secretary general of UMNO's Pasir Mas division, Mr Idris Muhamood, said today that they had withdrawn from PAS of their own will because they had lost confidence in the struggle of PAS which they considered to be imaginary and impractical. Mr Idris said that they have more confidence in the struggle of UMNO to uphold Islam in the country than the struggle of PAS which they consider to be shallow. He believes that more members of PAS' Pasir Mas division will follow their fellow members in withdrawing from PAS to join UMNO. [Text] [Kuala Lumpur UTUSAN MALAYSIA in Malay 9 Mar 85 p 2]

MINISTER ON IRAN-IRAQ WAR--Malaysia believes that the Iran-Iraq war, which has been dragging on for 53 months, can be ended only through negotiations. The foreign affairs minister, Tengku Ahmad Rithauddeen, says that a settlement cannot be achieved by military action since this will only bring more killings and material damage in the two countries. He was speaking to newsmen after opening a meeting of the Parents and Teachers Association of the Banggu National School near Kota Baharu. Tengku Rithauddeen elaborated on the spread of the war, air raids on Iranian and Iraqi cities, and threat to airlines. He said that Malaysia will continue efforts together with other Islamic countries to seek ways of ending the conflict. On Malaysian diplomatic personnel in Tehran and Baghdad, Tengku Rithauddeen said that they have been ordered to send home their families if the situation further deteriorates. [Text] [Kuala Lumpur Domestic Service in Malay 0900 GMT 22 Mar 85]

ILLEGAL THAI WORKERS DEPORTED--Fourty-four Thai have been arrested for misusing visit passes and working without permits at the Seberang Perak Felcra [Federal Land Consolidation and Rehabilitation Authority] scheme in the Perak Tengah District. Perak Immigration Department Director Encik Mohamed Nor Haji Nuruddin said the Thai, aged between 22 and 35 years, were picked up in four kongsi [shared] houses in a 13-hour operation last Friday. They were deported to Thailand on Wednesday. [Text] [Kuala Lumpur International Service in English 0800 GMT 29 Mar 85 BK]



BIDONG CAMP REMAINS OPEN--The government has no plans to close down the Bidong Island Camp as illegal Vietnamese immigrants continue to arrive. The deputy home affairs minister, Encik Radzi Sheikh Ahmad, told the House of Representatives that the camp is equipped with facilities to process illegal Vietnamese immigrants prior to their resettlement in third countries. He said that there were 8,050 illegal Vietnamese immigrants on the island as of 27 March 1985, while 10,460 immigrants left for third countries last year. There were 9,239 arrivals last year, and 1,260 so far this year. The deputy minister added that Malaysia holds regular talks with other countries to find ways to decrease the number of arrivals. [Summary] [Kuala Lumpur Domestic Service in English 1130 GMT 28 Mar 85 BK]

EXPRESSIONS OF GRIEF OVER WAR--Malaysia feels profound grief over the escalation of the conflict between two Islamic countries in Western Asia: Iran and Iraq. Datuk Sri Dr Mahathir [the Malaysian prime minister] says that the conflict cannot overcome problems between the two countries. He stresses that war among Muslims is totally against Islamic teachings, which consider all Muslims brothers. As an Islamic country, a member of the Organization of the Islamic Conference [OIC], and a peace-loving country, Malaysia calls on Iran and Iraq to end the conflict and accept direct and indirect negotiations for a settlement. Malaysia is prepared to play a mediation role together with other OIC members to find an honorable way out for the two countries and to settle the conflict between them. Datuk Sri Dr Mahathir said this in a statement issued in Kuala Lumpur today. He stressed that the conflict will bring about suffering to the peoples of the two countries. The conflict will only benefit arms suppliers. [Text] [Kuala Lumpur Domestic Service in Malay 0900 GMT 1 Apr 85]

CSO: 4213/188

PHILIPPINES

SYDNEY PAPER ON DAVAO LOSS, MRS AQUINO POPULARITY

Sydney THE SYDNEY MORNING HERALD in English 12 Feb 85 p 1

[Article by Peter Hastings: "Philippines City Falls to Communists"]

[Text]

MANILA, Monday: The Philippines Foreign Minister, Mr Arturo Tolentino, the most outspoken member of President Ferdinand Marcos's Cabinet, has acknowledged that the Government faces a grave and growing problem in the south of the country.

"Here in the Philippines we must seriously consider whether the Government any longer holds Davao City," he said in an interview with the *Herald*. He said Davao City was now the territory of the New People's Army, the armed wing of the outlawed Communist Party of the Philippines.

"If it goes on like this," Mr Tolentino said, "we will not hold Mindanao."

Although the communists allegedly have 12,500 men under arms — not many in a country of more than 50 million — there is a growing appreciation of the rapid gains being made by the communists.

Increasing attention is being paid by Opposition politicians in Manila to the post-Marcos period, with a possible transition government leader being Mrs Cory Aquino, widow of the slain former senator, Benigno Aquino.

Mrs Aquino, a good-looking, soft-spoken woman, clearly represents the wealthy elements in the moderate Opposition. She sees Mr Marcos as an evil man who

prostituted great talents. Others see Mrs Marcos as a vain and vulgar woman.

Mrs Aquino says she will never forgive President Marcos for the petty, spiteful restrictions he placed on her husband in jail. He was forbidden mail and magazines for a long time because Mrs Aquino smuggled out a letter.

Family visits were cut to a minimum and Senator Aquino was placed in solitary confinement.

"Only his illness saved him. They had to let us go to America. I mourn his death, but it will not be forgotten. The people are aroused now whenever they hear the song *You Will Not Be Forgotten*. But the Marcoses must go, and soon, if we are to escape communism."

Mrs Aquino belongs to the Convener's Group of the moderate Opposition. Last month 11 members, including long-time Opposition leaders Jose Diokno, Salvador Laurel and Jovito Salonga issued a manifesto describing procedures for nominating presidential and vice-presidential candidates from the Opposition in the event of a surprise election.

An election could be called by Mr Marcos or be precipitated by his sudden death or illness. The Constitution requires a poll within 60 days.

Mrs Aquino is probably being

honest when she says she will not run for President or Vice-President. She is not regarded in Manila as a politician so much as politically wronged. But she is universally popular.

If the ruling Marcos KBL Party nominated Mrs Marcos for President, and possibly coconut king Eduardo Cojuangco for Vice-President, it is almost certain the Opposition would draft Mrs Aquino to preside over a transitional Government for two years.

It would be hard for her to refuse such a request. In genuine free elections in which the KBL did not rig the ballot box through bribery and armed force, Mrs Aquino would wipe the floor with Mrs Marcos.

But an Aquino victory might only serve to paper over the crying need for far-reaching radical changes in the Philippines.

"In any case I don't believe Imelda will run", Mr Jaime Ongpin told me over lunch at his sumptuous Benguet Corporation (copper) headquarters in Mandaluyong. "Mrs Marcos will never run while he is alive. She is already First Lady, so what's he become, First Gentleman? Anyway he regards her now as too irresponsible to run for office."

But Cardinal Sin later told me: "Both the President and Mrs Marcos will possibly run together or at least Mrs Marcos and a Marcos crony in order to maintain the dynasty."

CSO: 4200/723

PHILIPPINES

COLUMNIST ON VICE PRESIDENTIAL ELECTIONS SCENARIO

HK011318 Quezon City ANG PAHAYAGANG MALAYA in English 27 Mar 85 p 4

["Town Crier" column by Vic Barranco: "A New Scenario for Imelda"]

[Text] Political circles are buzzing rather seriously with speculations that Mr Ferdinand Marcos will call an election by midyear for the vacant position of Vice President only, and that he will impose the candidacy of his wife Imelda on the KBL [Kilusang Bagong Lipunan]. He will do away with the party convention.

This is a new scenario which is hectically plotted by Mr Marcos who is apparently in some kind of a race against time, to ensure the stay of the Marcos-Romualdez family line in the dynasty. One will likely get confused with the prospects of Mr Marcos getting incapacitated or disappears from Malacanang before the end of his term in 1987. The emergence of Imelda as a vice-presidential filler is Mr Marcos' latest answer to the fast-track election that the Grand Alliance opposition is now prepared for.

With the Opposition, the people in all sectors abide by the Marcos scheme, by putting up just a vice-presidential standard bearer for a term which is not yet provided for in the Constitution?

If the Opposition does, and by a remote possibility captures the vice-presidency, can the winner drive Imelda out while Marcos is still secure in office until 1987 at least? The Opposition Vice President will not be able to cross Mendiola bridge to Malacanang. He will have to hold office in the U.S. as an exile for a time.

While the U.S. Government and the World Bank make it hard for Mr Marcos to get much needed loans for fast-track investments and fast track election spending, Mr Marcos can easily take reprisals on America by declaring an Open Door policy to industrial, financial, agricultural, mining, fishing investments in the Philippines to the Japanese, Communist Chinese, Russians and Cubans. Marcos will just be too willing to allow communist and imperialist infiltrators to swarm in here to spite our old, trustworthy and dependable allies, primarily the Americans. In fact, even if we just look around a bit now, we see Japanese, Chinese and Russian economic infiltrators deep in our midst already. The next Marcos move might be the bases agreement with them. Good night!

CSO: 4200/726

PHILIPPINES

TATAD ON INSURGENCY SITUATION, OPPOSITION

HK020226 Manila BUSINESS DAY in English 1 Apr 85 p 4

["here and Now" column by Francisco S. Tatad: "Beyond the Next Elections"]

[Text] The increasing media count of men and women injured, captured or killed, and of weapons taken, in various encounters or raid perhaps shows more than anything else that the communist-led insurgency has reached a serious stage. All alarmism should be avoided, but the gravity of the problem must be recognized--not only by the government, which tends to minimize it, but also by the opposition, which seems to believe the problem belongs exclusively to the military or to Mr Marcos.

Several years ago, Amado Guerrero, writing in "Specific Characteristics of Our People's War," credited the Bangsa Moro Army in Southwestern Mindanao as "better armed" than the New People's Army and as the one waging "the biggest battles" and inflicting "severe losses" on the enemy. Today, there is hardly any mention of the Bangsa Moro Army. The NPA takes full credit for the growth of the insurgency.

Not only have its numbers grown, it has also carried the initiative in the battlefield. In 1983, for instance, it was reported to have initiated about 60 percent of 2,500 reported contacts with the military. In 1984, this rose to 75 percent of over 3,500 armed clashes with government forces. In a number of recent encounters, the NPA was reported to have engaged government troops in company-size strength.

Much of the gains achieved by the dissident army is probably ill-deserved. It did not have to do much to win it. But despite the spate of recent publicity about so-called NPA reverse, there is not one definitive story about a particular NPA sanctuary being pacified, or of NPA supporters defecting to the military. President Marcos made a valiant effort in inviting U.S. Ambassador Stephen Bosworth to his sanctuary in the north to show the good ambassador that his native Ilocos Norte remains uninfected by armed dissidence. But this proved nothing. It was a classic repetition of the president baring his chest before the camera to disprove speculation that he had undergone a surgical operation around the kidneys.

It is to be hoped that as the problem deteriorates the government will realize the need to face it not only with increased military vigor, which is obviously needed, but above all with a serious socio-economic program that addresses the problem at its very root. It is also to be hoped that the opposition for its party will see in the same problem a real challenge to put together a program of its own not merely for winning the next elections, which it must win, but for initiating meaningful social change.

There is no warrant for anyone to believe that the insurgency is exclusively anti-Marcos, and that a transfer of political power to the opposition--assuming that takes place before any denouement of the insurgency--will automatically end it. While the insurgency feeds on popular discontent against corruption, official abuses, exploitation and injustice, it is ideologically led, and has for its aim the construction of a national socialist state. The opposition, particularly those who do not share that objective, cannot be blind to it.

If tomorrow then the opposition should take political power, it should be ready to deal with the insurgency and the questions raised by the insurgency. These are serious social and ideological questions--many of them inspired by Marxist analysis. What will it do with these questions, or with those who have raised, and are raising those questions? Will it say that those questions are valid only against the Marcos regime, but not against the next government?

What we are witnessing is not a simple confrontation between two armies which are in confrontation because one has allowed itself to be used by Mr Marcos. The conflict is not simply military nor purely partisan, but ideological: It is a confrontation of ideologies. The Makati businessman who argues in favor of letting the market forces decide everything in the economy, including the amelioration of the poor, may not realize it, but he is speaking for an unbridled liberalism which is opposed and opposed vigorously by socialism. And he does not become less of an enemy for shouting the same slogans that the socialists shout at Mr Marcos. And because in the law few years the poor have multiplied in their unexplained poverty as fast as the ruling oligarchy, its cronies and its elect had grown in their unconscionable affluence, many may have converted without thinking of its consequences to socialism. This makes it even more difficult than usual to bring the conflict away from the arena of armed solutions.

This requires of the opposition a valid ideological response, beyond its program on how to win the next elections. Of course, winning the next elections is important, but unless we have completely misunderstood what is happening in our country, the problem goes beyond the identity of the men and women who will occupy public office in the next electoral round. The problem has to do with the deeper needs of society, and the response that the entire society, rather than simply the state, must give to make social life more fully human. At depth, this is where the armed insurgency is now being fought, and this is where the fight against it must be won.

CSO: 4200/726

PHILIPPINES

COLUMNIST HITS ASEAN POLICY ON SRV, CAMBODIA

Manila BULLETIN TODAY in English 19 Feb 85 pp 6, 9

[Commentary by Benedicto David: "Let's not..."]

[Text]

**T**HE recent ASEAN foreign ministers conference resulted in statements which at best are unfriendly and which at worst are provocative of Vietnam.

More recently, Prince Norodom Sihanouk has called on China to invade Vietnam in order to support the efforts of the so-called coalition among himself (legitimate), the Khmer Serai (also legitimate), and the Khmer Rouge (the group that ruthlessly massacred about three million of the more educated people of Kampuchea) to free Kampuchea from Vietnam.

When we visited Kampuchea a few years back, immediately after the Vietnamese drove out the Khmer Rouge, we found a numbed population grateful for their salvation from the Khmer Rouge but nevertheless looking forward to being free from their saviors.

Today, the West is supporting the coalition whose major fighting force are the same Khmer Rouge which systematically slaughtered millions of their countrymen. We cannot understand this position in the face of the West's professed defense of human rights.

The ASEAN statement has virtually put the ASEAN into a position of jumping into the shoes of the defunct SEATO. The only element missing is the organiza-

tion of a military force to fight Vietnam, something which would warm the cockles of the armaments industry in both the United States and the Soviet Union and its satellite states.

Let's not get involved in a shooting war, particularly when Vietnam has shown no signs of invading or wanting to invade Thailand. What is more, Vietnam does not have the industrial capacity to launch a full-scale invasion of Thailand, not with its industries only beginning to rise up from the ruins of over 30 years of continuous war.

In fact, we question the very act of this government giving any support for a group such as the Khmer Rouge whose barbarity was evident when we visited Tuol Sleng prison in Phnom Penh. In conscience, we cannot believe that that group could do their people any good. Besides, it is interference in the internal affairs of another sovereign state for outside states to support a faction operating within the boundaries of its country against any other faction.

We see no reason for getting involved in that affair except to keep restating the principles of non-interference and the urgings for the Vietnamese to leave the Khmers alone, something incidentally Hanoi promised provided the Khmer Rouge were

wiped out and China got off her back.

It would seem that the ASEAN is being suckered into taking up arms against the Vietnam-Laos-Kampuchea portion of the Indo-Chinese peninsula in support of an inhuman group and at the behest of a state far from the scene but willing to sell weapons to the ASEAN. We cannot afford a war. We cannot afford even to provide gasoline for our fire trucks and we look for trouble elsewhere. To us, the position makes no sense both internally and externally.

As matters stand, we are not immediately threatened from the outside. At the moment, we have

no enemies outside this country. It makes no sense for us to look for trouble.

This again has to do with the odd priorities being shown by the government. We have a yen for war but we cannot even fight a fire properly even with the most modern equipment because the fire trucks are not provided with enough fuel. We look for trouble outside the country and we cannot even afford to pay our teachers on time, or give our cops a reasonable salary scale.

Let's not get involved in other people's wars, at least, not until Vietnam shows signs of planning to invade the ASEAN region. Otherwise, we might as well send troops to Africa and Latin America and Afghanistan.

CSO: 4200/723

PHILIPPINES

AUSTRALIAN SERIES VIEWS, ANALYZES CURRENT CRISIS

Sydney THE SYDNEY MORNING HERALD in English 12-14 Feb 85

[12 Feb 85 p 11: First of a three-part series by Peter Hastings entitled "Crisis in the Philippines"--"The Politics of Murder"]

[Text]

**T**WO weeks ago, there was quite a fuss going on. Would the First Lady keep her promise to visit Davao City or not? Her husband, the President, had not been near the place — or the troubled fertile island of Mindanao for that matter — for years.

In the end she didn't and a number of disgruntled would-be demonstrators — Mrs Marcos is not exactly popular these days — packed it in and went home. "Anyway who in the hell cares whether she comes or not?" an irritated Filipino priest asked.

"She hasn't come for the same reason she failed to make her scheduled trip to Cebu. She's frightened to. The city's too hot for her."

In fact, Mrs Marcos may yet make a brief visit, but the priest's remark that the city is too hot for her is true enough. In fact it's a massive understatement.

I last visited Davao about six years ago. It's always been a place of savage resentments. Today it is no place for Mrs Marcos to visit. Its atmosphere just about defies description.

The city concentrates in a unique degree the most unpleasant aspects of contemporary Philippines life — extreme poverty, rackets, rip offs, vendettas, extortions, class hatreds and open, almost daily, acts of murder.

The latter are mostly carried out in broad daylight, largely within the town proper, by "sparrow" units consisting of four or five men of the communist NPA (New People's Army) and PC (Philippines Constabulary).

The PC would easily rate these days among the world's most irresponsible, ill-disciplined paramilitary forces. Despite officially-inspired US euphoria over General Fabian Ver's replacement as Chief-of-Staff of the Armed Forces by Lieutenant-General Fidel Ramos, the fact remains that Ramos is largely responsible for the unpleasant reputation of the PC, which he has headed for years.

But all three forces are in the murder business with the NPA leading the way. Military murders are described by the savagely euphemistic word "salvaging". NPA murders are called simply "liquidations."

In Davao between January 1 and January 28, 56 people were executed. Most were shot. One at least was beheaded. The majority were killed within the town.

The other morning at about 6.30 am, I saw a crowd of joggers in the distance dispersing suddenly down a side street. That afternoon I learned they had been looking at a corpse. My informant thought it of casual interest only.

What is it then about Davao City? It's a pleasant South-East Asian town which has grown considerably in recent years.

Through an artificial town-planning device, its extensive boundaries make it, they say, the world's largest city. About 300,000 or so live in the town proper, about 400,000 in villages near the verdant copra and banana plantations adjacent to the brilliant blue



waters of Davao Gulf and stretching into the fertile interior.

Mindanao is a rich island supplying 40 per cent of Philippine agricultural exports, but its inhabitants are poor. Not even Manila's ghastly Tondo slum area is as bad as Davao's Agdau or Maa which Filipinos with a mordant turn of wit have come to call "Nicaragdau" and "Maanagua".

Some 30 years ago, Davao Province's rich soils, available with promise of ownership and high commodity prices, enticed thousands of migrants from poorer areas like Negros, Cebu, Leyte and the Visayas.

As their numbers grew so did interminable disputes over land and titles. Commodity prices plummeted. Central government was both negligent and indifferent.

With copra's collapse four years ago, the NPA — the military wing of the Communist Party of the Philippines — began probing the social and political structure of the province and found it weak.

AFP sources reluctantly admit that the NPA could mount battalion-sized operations around Davao if it wished. It is well-equipped with weapons taken in ambush or bought from venal PA and PC soldiers anxious to make a fast peso.

In fact it operates with units of 20 to 30, preferring to conserve its numbers and concentrate on social targets according to general CPP armed-struggle strategy.

It is proving increasingly effective in an area where most people are poor and resent the Government. Others are confused, divided and are leaving, or trying to buy time. It is fertile ground for an armed struggle.

But if PA and PC units are more often than not seen as the agents of central government repression, then increasingly NPA guerillas appear as arbiters of bush justice.

It is difficult to sort out the truth — the most one can hope for is the rough shape of it. The most reliable informants include the priests and the devout of the province. But among them, as in any group in society, there is a wide divergence of views.

There is complete unanimity of views only on the degree to which, with almost complete impunity, NPA "sparrow" units appear able to operate within Davao City itself.

A priest pointed out to me a busy intersection in mid-town where a few weeks ago two NPA guerillas shot dead two policemen in the middle of the afternoon.

"One of the NPA," said my informant, "walked straight up to the policeman. He wore no mask. The policeman was totally unaware of him. He shot him in the back of the head. There were .45 shells around him when he fell.

"As the man fell, another policeman on the sidewalk started to come to his comrade's rescue. As he stepped off the curb a man nearby who had been clearly marking him, drew a pistol from a sugar bag and shot him through the temple.

"The killers were very cool. Each bent over a corpse and took its weapon, watch and ID papers. All this time, about 10 minutes or so, people were watching — saying and doing nothing. That done, the two men walked calmly down a side street, got into a waiting car and drove off.

"Now, at least a hundred people could identify the men in a round-up. They don't, some because they are frightened but most because they are numbed by the deteriorating moral and social atmosphere. They no longer care."

Another priest said that people do care, that the failure to report killers is part of a deliberate social protest.

"It is very widespread," he said, "especially in the remoter brangays (villages). The PC do not help with tactics like zoning which are particularly brutal in execution and effect."

"Zoning" is another Filipino euphemism. It is a tactic Japanese imperial forces used during the war.

Troops zone a barangay by surrounding houses at dawn and ordering all occupants out while masked informers point to those suspected of direct or indirect links with the NPA. The suspects are then taken away and charged or, quite often, quietly "salvaged".

The NPA then attempt to hunt down the informers or simply kill another policeman in revenge. Another priest with long rural experience behind him said that on occasions villagers tried to protect good policemen for whom the NPA were gunning.

"I knew of a situation where they actually came into a church during a fiesta looking for a policeman. The barangay captain told them to leave and said that the man was held in high regard. They left."

The priest told me that, while he has no direct links with the NPA, he could get messages to their leaders and sometimes influence their decisions.

"I have done this when villagers have interceded with me to seek protection

for a decent policeman or government official. But it is a very personal matter.

"I have had villagers come to me and say: 'The NPA is going to kill Policeman Gonzales, but he is a good man. Please ask them to kill Policeman Fernandez instead — he is a bad man. What can I say to that?'"

It is hard to get a exact line on NPA tactics. In part, the NPA seeks to distribute bush justice in favour of downtrodden villagers, in part to establish communism as an alternative government, and in part simply to get enough money and equipment to support its growing numbers.

NPA propaganda describes brutal or corrupt army or police force members, village usurers, representatives of companies running copra or banana plantations — especially those who renege on paying taxes to the NPA — and, of course, informers, as enemies of the people against whom it must take action.

Often its actions smack of simple banditry. The same priest told an extraordinary story of a group of unmasked NPA guerrillas marching into a dental class with the intention of shooting the lecturer.

This they did in front of 30 or so horrified students who were told to stay away from the body on pain of being shot. An NPA member frisked the corpse and found what the NPA had come for — the keys to the lecturer's brand-new car which was parked outside.

Right-of-centre, but anti-Marcos priests, like Father Terry Barcellon, who is rector of the Davao Ateneo, won't have a bar of any suggestion that the NPA represents the Filipino poor downtrodden and politically outraged.

He sees in the NPA only terrorism and future Marxist dictatorship. He claims that the NPA recruits youths between 16 and 20 and steadily brutalises them. "First," he says, "they are told to commit some anti-social act and get themselves a term in prison.

"They emerge from prison feeling heroes. The next step is to involve them in the murder of a policeman or unpopular village official. The third stage is to get them to commit a murder on their own volition. This finally divorces them from society and moral responsibility."

But the politics of murder in Davao are not as simple as that. The army and the police are also involved — like many of Davao's citizens and certainly increasing numbers of the NPA — in corruption and extortion rackets which range all the way from shares in the numbers game to illegal logging out in the backblocks.

It is not just the NPA which exacts illegal taxes. The PA and PC do it as well. A businessman who pays taxes to the NPA and would not be identified told me that the police and army were involved corruptly in the fishing, timber, banana, copra, mining and rice-growing industries.

The Philippines is not Vietnam in the 1960s, but there is more than a touch of Vietnam to Davao in the city's calm, in its almost sinister sense of normality.

Restaurants, shops and markets are open for business. The girl in the Xerox shop photocopies a document for you with a smile.

The hotel's pretty receptionists make jokes, find you telephone numbers and discuss boy friends. Who is the enemy? The taxi driver whose cab you hire by the day says the NPA are terrible people.

On my last day in town passing by a theatre with an enormous hoarding advertising some langorous girls in a Tagalog film called "Cheap", there is a roar of bicycles and three police, the first I have seen since arriving, suddenly cordon off one end of the street.

To this day I don't know why. But the maddening, polluting stream of traffic is forced to detour. My driver shoots a look of pure hatred at the three dismounted cops before driving on. I think his anger is due to more than inconvenience.

[Text]

**I**N INDONESIA and Thailand, graft and corruption, often on a large scale, are part of the scenery — a form of political and economic overhead. In the Philippines they have been elevated to an art form.

One of the leading local US banks maintains that of the Philippines' \$US26 billion foreign debt, the President and close "cronies" like coconut king Eduardo Cojuangco, and sugar baron Roberto Benedicto, not to mention the First Lady, have totally squandered \$US9 billion of it.

This is quite apart from billions which have been salted away in Swiss banks, in London, Long Island and Paris real estate over almost 20 years of increasing presidential mismanagement which has reached criminal proportions through the President's power virtually to intervene in any area he likes under Amendment 6 to the Constitution. In a traditionally oligarchic society the demonstration effect of large-scale corruption at the top is enormous.

It is not only the President and his pals who graft and squander but the whole administrative system — from ministers right on down the line to those who run the provinces, municipalities and barangays (villages).

Civil corruption is matched by corruption in the army and police. At the highest level the generals and colonels get their cut from a wide variety of activities ranging from protection rackets to concessions. At the lowest level the lonely truck driver is held up at the point of a gun by a squad of soldiers demanding "a few pesos for breakfast".

Nobody would maintain that all politicians are corrupt or all military. They are not. There are numerous and notable exceptions. But corruption is all pervasive nevertheless and brutal in its effects. Its victims are unassuagably bitter whether poor villagers — 76 per cent of Filipinos live below the poverty level — or hard-working middle class like my friend Vittorio, a mining engineer.

Until a few years ago he ran a profitable minerals mine in a distant province. He worked hard, expanded into other interests, made a lot of money. Mrs Marcos decided she wanted the mine for a friend.

The mine was suddenly ordered closed by presidential directive on the grounds that it caused "chronic and aggravating" labour trouble. Legal redress was unavailable. Sometime later it re-opened — surprise, surprise — under new management and with a new owner. Not a single centavo was paid in compensation.

The population generally is also bitter about the AFP (Armed Forces of the Philippines) who number 104,000 and the PC (Philippine Constabulary) which has 43,000 members. Military and PC offences fall mainly in two categories. One is the brutality and violence all too often employed

by military or police, especially in the bush, not only against members of the communist New People's Army (NPA) or criminal suspects but innocent people guilty of nothing more than failing to comply with unlawful or unreasonable demands.

The other is corruption and economic exploitation of the poor. One sees it at close quarters in Davao, in Eastern Mindanao, where AFP and PC personnel are clearly involved in extortion rackets and in exacting pay-offs from poor farmers by way of illicit taxes or in return for protection from other police or army members.

The near successful murder attempt recently in Cagayan de Oro in Northern Davao Province against Brigadier-General de Guzman is an interesting case in point. He has been more successful than others of his colleagues in combatting the NPA and when he was nearly shot to death less than 100 metres from his headquarters it was easy for the loyalist press to blame the NPA. Not a military attache in any foreign embassy believes that story. He was shot at because he wasn't sharing the take from various enterprises. No prizes for guessing who tried to get him.

In the complex social, political and economic situation arising from the increasingly visible collapse of the house that Marcos built, the chief beneficiary is likely to be the CPP (Communist Party of the Philippines) and its military wing, the NPA. If that is the case the chief casualty will certainly be any chance of re-establishing democratic government in the Philippines.

While the NPA has its own internal problems, disciplinary and ideological, reflecting its rapidly growing numbers, it must now be considered a serious middle-term threat to the security of the Philippines. The longer the Marcos regime continues the nearer that threat comes.

The communists became active in the Philippines in the 1920s, not too long after the establishment of the Partai Komunis Indonesia in what was then the Dutch East Indies. The first party to organise was the Soviet-oriented PKP (Partido Komunista ng Pilipinas). During World War II, its members joined forces with rural-based protest to form the huks, an anti-Japanese guerilla force.

After the war, the Huk movement was crushed by Central Government forces and the PKP collapsed. A new generation of students teachers and intellectual activists emerged to form the Maoist-oriented CPP and its military wing, the NPA.

The CPP's chief theoretician is Jose Maria Sison. A former academic, now in his 40s, he is jailed somewhere in Manila. In disarming Filipino fashion he never seems to have the slightest difficulty in getting as much space in

newspapers for his views as he desires.

He is intellectually clear-headed and in his original statement on CPP aims he called for a Maoist strategy related to the Philippines' mountainous, insular nature. Where Mao had fought from an established base in Yenan, the NPA would create guerilla fronts, island by island, until they encircled the cities.

**T**HE NPA is an entirely home-grown product with strong nationalist overtones. So far as is known it has never received material support from fraternal Russian and Chinese parties or their governments.

Peking has in fact kept well away from the CPP since establishing friendly relations with the Marcos regime as part of its policy of improved ASEAN ties. Peking supports retention of the US bases here as a counter to growing Soviet regional influence while the CPP-NPA call for their immediate removal.

The CPP has uncompromisingly criticised China's post-Mao regime both for its economic, revisionist policies and its pro-Washington strategic stance. It has also criticised the Soviet Union over Afghanistan and its support of Vietnamese policies in Cambodia. This in part reflects unease over good formal relations between the USSR and the Marcos regime and the steady growth of Philippine-Soviet trade.

The growth in NPA membership and fighting capacity over the last 15 years has been dramatic. At the end of the 60s the NPA had only several hundred armed guerillas. In the early 70s it had several thousand concentrated around Pampanga and Tarlac provinces.

The NPA now operates in 62 of the country's 73 provinces. It is strongest, and most visible, in Eastern Mindanao (Davao), Northern Davao (Zamboanga) and Samar. It now has probably between 10,000 and 12,000 full-time guerillas and, according to the US Senate report released last October, another 10,000 part-time.

It is not easy to get an accurate figure for numbers. AFP sources more or less confirm US claims but they are hesitant to confirm figures because the Philippine Government consistently understates NPA strengths for its own political reasons. Last May, Mr Marcos said there were only about 5,000 NPA guerillas nationwide but a week later said there were 6,800.

They are very effective. In the first 10 months of last year they killed 2,650, including 800 AFP personnel, for the loss of 895 of their own.

The President of course wants it both ways. He wants to use the NPA as a bogey at home to justify martial law and Amendemnt 6 to the Constitution — empowering him to rule by decree — while wishing to avoid creating anti-Marcos sentiments in the US by drawing attention to the true state of affairs.

He is now caught as he deserves to be. The sordid Aquino airport murder suddenly concentrated US attention on the rapidly deteriorating situation in the Philippines. It became immediately apparent that Aquino had died as the result of a military conspiracy in which the President and his wife were almost certainly involved.

This in turn led to a keener appreciation of the escalating political and economic crisis in the Philippines and the rapid gains being made by Communist insurgency. The US is now thoroughly alarmed. It ought to be.

[14 Feb 85 p 11: Last of three parts--"Round One to the Guerrillas"]

[Text] A decade ago communist guerillas operated in units of between 10 and 20 men in remote areas of the Philippines. Today the New People's Army (NPA) can in some places field "battalions" of up to 300 well-armed, well-disciplined troops.

Just as formidable--but for different reasons--are its Sparrow units, the four or five-man hit squads which use violence and assassination to impress on villagers not only where power lies but what it grows out of--the barrel of a gun.

The NPA, through ambush and well-planned attacks on army posts, has been able to acquire a formidable arsenal of weapons as well as drugs, typewriters and field radios. What it hasn't captured it has bought. Plenty of army personnel are willing to sell weapons and equipment.

The NPA, the military wing of the Communist Party of the Philippines (CPP), allegedly has between 10,000 and 20,000 weapons at its disposal, including M-60 machine guns and M-70 grenade launchers and plenty of M-16 carbines and ammunition.

Against army anti-communist operations the NPA has mainly come off best. Recently the AFP's Acting Chief of Staff, while General Ver is on trial, Lieutenant-General Fidel Ramos, revealed that in 1984 the NPA killed 2,650 people, including troops, police, municipal and government officials, as well as ordinary civilians, for the loss of 895 guerillas.

Earlier this week there was more bad news. The AFP Commander of Regional Unified Command XI in Davao revealed that last year there were 876 "incidents" in Davao City and environs involving the NPA.

Incidents included "raids, liquidations, successful disarming of AFP and PC personnel, ambushes, robbery, grenade-throwing (28 incidents), kidnapping and burning." More than 800 Army and police personnel and civilians were killed. Grenades, thrown indiscriminately, do enormous damage.

In an interview the Foreign Minister, Mr Arturo Tolentino--the most outspoken member of the Marcos Cabinet--confided that "here in the Philippines we must seriously consider whether the Government any longer holds Davao City. It is now NPA territory. If it goes on like this we will not hold Mindanao."

The NPA's hit-and-run military tactics and an increasing main-force engagement capability are complemented by its political strategy in the field. The NPA (euphemistically called Nice People Around) employs mixed tactics. Its units engage in party building, promoting revolution among rural masses and armed struggle. They have sought to gain the acceptance of peasants by helping introduce simple irrigation works, crop-rotation programs and basic health precautions.

Dodong Nemenzo, an academic and former member of the CPP, now working at the Australian National University, says poor villagers see NPA guerillas as more than soldiers. They also see them as fulfilling the functions of social workers and teachers and as being "more effective than the police in clearing up carabao thieves, usurers, abusive overseers and other hated elements."

The NPA, a Maoist party, adopted Mao's rules of behaviour. These require NPA members to show self-discipline, pay fairly for what they buy, speak politely to those they are seeking to liberate and treat women with respect and captives with consideration.

NPA discipline is not as good as it was, or the recruits of the calibre laid down by the CPP's chief theoretician, Jose Maria Sison, when he called for cadres of "sufficiently high quality to maintain the struggle not for a few months at a time but years."

The NPA hopes to come to power in the Philippines through a protracted people's war--first the countryside and then the towns--and, according to Sison in a statement in the Manila papers last week, by contesting elections in "democratic" fashion. Sison is a realist who says the CPP cannot really hope to have a favourable situation for seizing power until the early 1990s, an estimate with which some US analysts, biting hard on the bullet, seem to agree.

Sison effectively rejected a suggestion to legalise the CPP put forward last week by some of the moderate opposition. The idea was that a legalised Communist Party would have to reject the armed struggle in favour of participating in the democratic political process.

It was forlorn suggestion because the CPP has no reason to renounce an armed struggle that is proving increasingly successful, especially when to do so would cause a crippling split within the party.

The CPP pursues its aim of mobilising mass opposition throughout the country not primarily through the NPA but through political coalitions in the banned National Democratic Front.

Most communists and left-wing radicals in the Philippines are not NPA members, but cadres working in the barangays, poor rural areas, churches, schools, hospitals and increasingly in government offices and agencies.

The NDF is a loose coalition of radical opposition groups including Christian, nationalist, student and teacher associations. It also works with the Muslim-based Moro National Liberation Front in Mindanao on the grounds of common interest in the fight against US-Marcos imperialism. But it is a limited, tactical interest. A communist government in the Philippines would be highly unlikely to support Moro secessionism.

The NDF's strongest ally is possibly the one ideologically most opposed to it--the Church. The Philippines Church remains primarily a conservative institution, but with increasingly liberal elements and a growing, if still relatively small, number of radical Marxist activists. The question is whether increasing numbers of priests and sisters will be prepared to work with the CPP while rejecting its ideology.

Vatican II had an enormous effect on the conservatism of the Philippine Church. It not only moved the Church away from Spanish-descended orthodoxy towards a new and relevant liturgy, but also towards a new approach to the country's vast social inequities. One suspects that another active element is guilt, caused by the Church's enormous historical contribution to those inequalities.

But while the NPA is undoubtedly a threat to be reckoned with, it has its problems. One is growing pains. The NPA is now sizable and less easy to manage.

Supplying, directing and deploying a few thousand guerillas is easier than finding the logistical capacity and lines of communication to maintain 12,000 as a cohesive force. The NPA's strength is equal in some areas to the military, but this robs it of guerilla flexibility. The bigger it gets, the more it is forced into open warfare to defend the territory it has won.

Many newer recruits are less ideologically committed than earlier ones and more given to the arbitrary use of terror and the imposition of fines and taxes every bit as unreasonable as those imposed by government or armed forces.

There is also evidence that the responsible party committees do not maintain as rigorous control of cadres as they used to or punish infractions as severely. Much of the NPA's propaganda success has depended on the image of its guerillas as Robin Hoods. Many now are regarded more as Robbing Hoods.

The CPP-NPA must be regarded as winning the first stage of its people's battle. It need not necessarily win the war, but it is moving forward against an increasingly weak Government and, so far, desperately weak opposition.

Whether it can be halted depends on several political and other incalculables including the capacity of the Armed Forces of the Philippines to restructure itself and combat the people's war by becoming a people's army with a people's ideology of its own.

There is little hope of starting to redress the political balance until the President and First Lady vacate the political scene. Pressure is increasing from all sides, including some of his ministers, for him to leave it sooner rather than later.

He may yet resign, although this is doubtful except in extremis. But even the political demise of the President and his wife is not enough, in itself, to solve the massive problems that have accrued. It is only a start, for the political rot goes very deep.

CSO: 4200/723

PHILIPPINES

REPORT ON EMBEZZLEMENT OF KKK FUNDS

Manila BULLETIN TODAY in English 19 Feb 85 p 6

[Article by Jesus Bigornia: "KKK Funds Falling Into Wrong Hands?"]

[Text]

**U**NSCRUPULOUS barangay officers have "struck gold" in the government's livelihood program, the Kilusang Kaunlaran ng Kabuhayan (KKK). Typical is the operation of a Sampaloc barangay chairman who has reportedly diverted a ₱10,000 fund for development of livelihood ventures in his community to the construction of a string of stalls along España boulevard which he rents out to vendors for ₱3,500 a month. The "enterprising" barangay official has not only refused to pay taxes to the city, he has also defied orders to submit an accounting on his use of KKK funds.

Because most barangay captains have diverted government KKK funds to their personal benefit, the livelihood program has wrought havoc among the memberships of most Metro Manila communities. Misuse of KKK funds surfaced at a meeting yesterday between top Metro Manila Commission (MMC) and Manila officials with the Philippine Chamber of Department Storeowners. The grave charge was hurled at the barangay officers by the chief of the Manila hawkers' bureau who said that multiplied hundreds of times over, it would not be too difficult to predict that the billions of KKK funds would soon be siphoned off into private pockets.

CSO: 4200/723



PHILIPPINES

MALAYA ON CHANGING ALLIANCES IN SUGAR INDUSTRY

Quezon City ANG PAHAYAGANG MALAYA in English 20 Feb 85 pp 1, 2

[Article by Marlen Ronquillo]

[Text]

The nabobs of the sugar industry are being polarized on the question of whether or not to maintain the sugar monopoly, and this has raised the spectacle of political enemies joining forces and known Marcos allies going against the ruling KBL's known desire to retain the monopoly.

The re-alignments sprang from the current probe by the Batasan on the state of the sugar industry which had already drawn first blood with the filing at the Tanodbayan Feb. 14 of economic sabotage charges against sugar czar Roberto S. Benedicto, two top National Sugar Trading (Nasutra) officials and three "Does" or still unidentified people in connection with a series of alleged sugar smuggling operations worth about

P972 million from 1983.

One faction supports the retention of the Nasutra as the single buying and trading agency for sugar while the other wants a return to free enterprise.

The Kilusang Bagong Lipunan was scheduled to announce its consensus on the trading problem late yesterday but even that is not expected to end the problem and the in-fighting.

The new alliances have transcended political affiliations, and unexpected partnerships prompted either by the desire to let the Nasutra remain or dismantled.

Corporate patriarch Don Manuel Elizalde has joined sugar millers and planters in calling for the return to free sugar trading and is often quoted by fellow sugar industry leader Fernin Z. Caram (Unido, Iloilo)

whose privileged speech on the "massive anomalies" in the industry resulted in the Batasan investigation.

Elizalde has for allies Don Oscar Ledesma and Don Alfredo Montelibano, headman of Planters Products Inc., and whose son is the KBL governor of Negros Occidental, the country's biggest sugar-producing province.

Elizalde, whose son Manda was once a cabinet minister of Mr. Marcos, has close ties with the president that has never been questioned.

Caram was himself once a top leader of the KBL in the region of sugar czar Benedicto, chairman of the Philippine Sugar Commission and president of the Nasutra since 1977.

Leading the pro-monopoly forces are Benedicto and two other influential families in Western Visayas - the Gustillos and the Gatulao. They are joined by at least a dozen influential sugar planters and mill

owners all professing the government is the best agency to handle sugar buying and trading.

Up north, Antonio Aquino, the half-brother of assassinated former Senator Benigno Aquino Jr., has signed a manifesto with MP Homobono Sawit (KBL) of Tarlac asking for the return to free sugar trading.

Antonio Aquino and Sawit are presidents of two planters associations in Tarlac. The Aquinos campaigned against Sawit last May 14. Sawit is a close associate of Marcos crony and leading industrialist Eduardo Cojuangco.

Caram said Elizalde and Montelibano will be asked to testify at the Batasan on their "views" on the industry, apparently to recommend the return to free sugar trading.

This is not expected to help any in mending the alliances shattered by the opposing stands on how sugar should be traded.

CSO: 4200/723

PHILIPPINES

BUSINESS GROUP ON FOREIGN INVESTMENT

HK010653 Manila BUSINESS DAY in English 29 Mar 85 pp 5, 8

["Private Sector Views" column by the PCCI-NRG [Philippine Chamber of Commerce-National Recovery Group] Editorial Board: "NRG on Investments"]

[Text] From 1974 to 1982 capital flight from the Philippine is estimated at US\$3.9 billion. This figure is cited in a U.S. Federal Reserve System paper and again in the BUSINESS DAY issue of February 19, 1985. BUSINESS DAY itself calculated that the amount stashed abroad last year alone was U.S.\$300 million or half the amount we are asking IMF for standby facilities.

While we are optimistic that we have since passed the nation's most critical political and economic test, it is a fact that investor confidence, whether local or foreign, has not yet been totally regained. If we Filipinos ourselves do not have confidence in the Philippine economy, what can we expect from foreign investors? The national economic recovery therefore seeks to attract a large portion of such "salted" dollars back to the Philippines.

On this assumption, the National Recovery Group (NRG), spearheaded by the Philippine Chamber of Commerce and Industry, with the participation of the leading foreign chambers in the country, the Federation of Filipino-Chinese Chamber of Commerce and Industry and the Employers Confederation of the Philippines, continues to support and implement an investments promotion program. A committee on investments headed by Amcham president A. Lewis Burrige undertook a study of the investments climate in the Philippines last year. During the 10th PBC [expansion unknown], the committee's recommendations were submitted and approved by the conference participants.

It was pointed out that a country in severe debt such as ours is realistically subject to the constraint of the policies and programs of its external creditors. However, with more investments, the reduction of the country's external debt will be accelerated, thus the country may be free of the constraints imposed by its creditors.

To date, investments in new or expanding businesses have been so small that they do not make a substantial contribution to the improvement of the country's

balance of payments. Let us take Japanese investments into the country as an example. In 1983, Japanese investment valued at P[Pesos]56 million was half the P117 million investments in 1982 and was the lowest level in 10 years. It is said that Japanese enterprises in the country beginning in 1981 experienced many difficulties due to depressed demand in the Philippine domestic market, difficulties in fund procurement, inflation, rising labor costs and increasing labor disputes. Among other reasons, these traditional investors in the Philippines are not committing new investment funds to the country because many of them have so much blocked pesos in the country.

Compounding these difficulties faced by foreign investors are the more fundamental issues that need to be resolved to improve the investments climate in the country.

What action then is necessary to attract foreign investment? The NRG Investments Committee submits that the following issues if addressed to and corrected would entice repatriation and investments rapidly in the necessary large quantity.

1. Stability--A major problem faced by investors and exporters is the ever changing government rules and policies that directly affect businesses. When measures are adopted almost unilaterally, investors suffer unforeseen losses and, more importantly, potential investors become wary of government intentions. Frequent and whimsical changes in the "ground rules" under which companies are permitted to operate and a penchant for applying such new rules without advance notice or hearings make it impossible for companies to project the feasibility of a project with reasonable assurance. The potential risk of such changes naturally frightens off investors.

Consultation with all sectors involved prior to a policy change offers the assurance of greater acceptance by the private sector of these changes. An exchange of views eliminates most of the confusion and ambiguity attendant to a new "rule." Continued, complicated but belated clarification of rules usually leads to a needless irritation and, eventually, frustration. A permanent mechanism for regular and continuing dialogue between industry and government at ministerial level is the prescription.

Government must be represented by officials who are authorized to decide and make commitments; preferably the minister with a deputy minister being assigned on a permanent basis to act as the direct link of the industry with the minister and through the minister with other government agencies.

What is envisioned is not a group simply engaging in open dialogue but rather one which provides in-depth and critical examination of the often extremely complex issues confronting each industry sector.

2. Simplicity--Investment rules (and many other government regulations) seem unbelievably complex to the layman. Confusing and voluminous "rules" and the many agencies involved in processing approvals lead to conflicting opinions, delay, excessive "red tape," instability and a general disincentive to investor patience.

Corporation registration (and incorporation approval) should reside in one agency only. This agency should also be responsible for ensuring that the company adheres to the (minimal) rules and regulations of corporate operations.

It is suggested that all ministries or departments that may be involved in a law, regulation, decree, etc meet prior to implementation to agree on the implementing guidelines and on which a sole ministry will assume jurisdictional control in cases of dispute or question. In this way, only one ministry need be approached for clarification or decision.

Rules, regulations, laws, etc should be minimal. "Foreign Investment in the Third World: A Comparative Study" by Richard D. Robinson states: "The Philippines maintains one of the world's most complex set of rules and regulations regarding foreign investment."

An investor negotiates his entry within criteria that take into account GOP [expansion unknown] development, objectives, newness of the technology to be used, anticipated exports, ownership of the enterprise and so on. Approval and registration by the Board of Investment is required for investments containing 30 percent or more foreign investment. Central Bank registration is needed for dividends as well as for license and technical assistance payments, contracts paying royalties and fees to foreigners, etc. Incorporation is controlled by the SEC [Securities and Exchange Commission] and both the SEC and BOI [Board of Investments] require regular reporting on such operations. The TTB [expansion unknown] must approve all technical agreements, royalty and similar contracts and one can continue to enumerate various other agencies that in one way or another get involved.

One newspaper recently commented on a Filipino entrepreneur who operated a small "goto" restaurant. He was required to get 76 permits just to get started (BUSINESS DAY, 1 November 1984).

Telephone service, roads, transportation facilities, electricity and water supply are all inadequate and poorly maintained. Industry cannot exist without these support services. Industry cannot progress unless these services are delivered efficiently. Without efficient and cost-competitive communications, both local and international, business cannot succeed in today's highly competitive world environment.

Development of regional areas (as desired by government) cannot proceed without the ability to bring the goods to market cheaply and quickly. This means roads, ships and air services. In Manila, time lost in traffic jams, delayed port clearances, etc cost industry many millions of pesos annually.

In a number of areas (the semi-conductor industry is an example) standby generators must be purchased to ensure a steady reliable electricity supply. This additional cost on top of an exorbitant electric power rate reduces the comparative advantage of the Philippines.

The funding of these programs would be vast but with good management, would receive the backing of the financial community.

3. Consistency--there is a need for consistency and fairness in the application of all laws and regulations. In the courts, litigation is frequently long drawn-out and it is the perception of many that justice is often not meted out on an impartial basis.

The government role should be one of providing support to industry rather than competing with industry. The plethora of government-owned or controlled entities that compete in the private sector (frequently with unfair advantage) do much to deter private investment. The proliferation of government-owned corporations and the favoritism shown to a few selected businessmen inhibit the ability of independently owned companies to compete on even terms and is a major deterrent to investment.

Approving authorities decide more often on a "case-to-case" basis than from a consistent set of rules equally applied to all.

Such exceptions make it difficult for potential investors to determine whether their project will be approved by the authorities. And it is only after a lengthy and rather expensive application process that a decision and its terms are known. Worse, unfair competition can occur when more favored individuals or corporations are given approvals even when they do not meet the published requirements.

We firmly believe that in spite of our difficulties our country's dynamism is still on attraction to investments. What we need now is a firm resolve to carry out the much needed structural changes in our present set-up. Given our resource endowments and the commitment of the private sector to actively work for legitimate reforms, we can still create the necessary investment atmosphere needed to regain confidence so as to do more business in the Philippines. Let us all do our share in working for these reforms so that we may have a better tomorrow.

CSO: 4200/726

PHILIPPINES

PAPER ON IBRD ASSESSMENT OF PHILIPPINE ECONOMY

HK020458 Manila METRO MANILA TIMES in English 1 Apr 85 pp 11-12

[Text] The Philippines will need more foreign borrowings and financial aid to achieve the targets outlined in the country's economic recovery program that was approved by the International Monetary Fund (IMF).

However, the chances that the Philippines can tap private foreign capital to fuel its recovery program are nil because the country has yet to begin her creditworthiness.

New gross loan inflows must average at least \$2.2 billion annually to enable the country to meet its debt service, allow rebuilding of reserves, and finance and adjustment of the current account deficit from about four percent of Gross National Production (GNP) in 1985 to 0.1 percent by the end of the decade.

A World Bank [WB] report entitled "An Agenda for Adjustment and Growth" for the Philippines revealed that while the debt service ratio on the country's medium and long-term loans would decline to 27 percent by the end of the decade, this would rise again in the early 1990s once the effects of the debt rescheduling program had been felt.

The country needs to make special arrangements including additional debt rescheduling for as long as the country's creditworthiness is weak.

The country can begin tapping private foreign capital only when her credit worthiness has been restored through a realistic recovery program combined with substantial official support.

The World Bank believes the country's recovery can be achieved in the government strictly follows a strategy based on four principles:

--The improved use of existing infrastructure and completion of ongoing projects which have high returns on investment;

--A carefully defined program for public sector investment so that development can be concentrated on areas with high returns, high foreign exchange impact;

--Carrying out policies aimed at developing efficient import substitution, export production, and increased employment opportunities;

--Pursuing tax reforms and making government corporations financially self-sustaining so as to improve domestic Resource mobilization.

The World Bank report also recommended the rehabilitation of existing industries which were foreclosed and seized by the government but which could be redeveloped to support the export promotion program.

The bank said government policy-makers must recognize these four principles to provide private business "clear and consistent" policies and to allow for sound investment decisions.

The WB strongly urged the government to pursue trade policy changes initiated in 1980 so as to achieve the export target of six percent in terms of export volume between 1984 and 1990, and to ensure that economic growth won't be hampered by a low import growth of only about one percent during the period.

While the international competitiveness of Philippine exports depends largely on production efficiency, the WB said export promotion policies should be maintained.

"In particular, the bias against export industries under the tariff regime should be reduced as scheduled in the 1981-1985 trade reform program and the administrative export procedures simplified," it was added.

Imports substitution programs have to be adopted, it said, because imports would be limited by the lack of dollars, a situation that would most likely persist up to the end of the decade.

The bank recommended the reduction of import tariffs and quantitative import restrictions.

It said the economic recovery program must be completed by policies that would improve the structure of public finance in the next few years.

The objective, according to the World Bank, is not only to reduce the public sector deficit to levels commensurate with continued balance of payments adjustment, but also to establish an expenditure pattern that is based on the medium-term development objectives and to provide a revenue system that would support the recovery program.

The World Bank said the government should restore recurrent expenditures to "more adequate levels" while improving efficiency.

It added that because public sector expenditures were expected to remain constrained for the rest of the decade, investment programming must be improved to ensure that the investment program was centered on projects with a high economic rate of return.

The WB said the government had to adopt a comprehensive tax system to offset its inability to raise funds from its traditional sources.

It suggested that the government also adopt the following measures:

Increase the tax effort through broader-based taxes;

Improve the structure of the tax system by reducing the heavy and growing reliance on indirect, especially international, trade taxes;

Improve the cost-effectiveness of the tax system by expanding the reform of tax incentives beyond manufacturing industry; and

Improve the efficiency of tax collection and administration.

CSO: 4200/726



PHILIPPINES

ZAMBOANGA MAYOR CONSIDERING USE OF SECRET MARSHALS

HK020228 Davao City THE MINDANAO DAILY MIRROR in English 12 Mar 85 pp 1, 8

[By PHILIPPINES NEWS AGENCY]

[Text] Mayor Manuel A. Dalipe is thinking of fielding secret marshals in the wake of rampant killings here during the past few weeks.

Dalipe disclosed this during a conference with acting armed forces Chief of Staff Lt Gen Fidel V. Ramos. The meeting was also attended by top military and civilian officials in Region IX at the PC regional headquarters.

Dalipe expressed concern over the rising crime incidence in Zamboanga City this year. A total of 22 persons were killed in Zamboanga City alone as of last Friday, alarming residents here.

Some of the killings occurred in broad daylight, the latest of which was that of PC soldier identified as CIC Remy Lisao who was killed at a bus terminal here.

Killers on board a motorcycle took the .45 caliber pistol of the slain PC soldier.

Last Thursday, a tricycle driver was killed during an altercation with an unidentified person.

It may be recalled that secret marshals were effectively used in Metro Manila against criminals on the loose.

Meanwhile, Col Carlos Aguilar, PC region IX commander, decried the lukewarm attitude of witnesses who refused to testify. With no witnesses, Aguilar asked, how can the killers be arrested?

He appealed to city residents to help the police identify the killers so that these can be charged in court.

He said it is only through proper coordination between the police and the people that criminality in the city could be controlled.

CSO: 4200/726

PHILIPPINES

EDITORIAL ON WESTINGHOUSE 'COMMISSION' IN NUCLEAR PLANT

HK010917 Quezon City ANG PAHAYAGANG MALAYA in English 27 Mar 85 p 4

[Editorial: "Why a Commission Agent?"]

[Text] The project director of Westinghouse, Monroe Walcher, has admitted publicly that the American giant multinational which supplied the Bataan nuclear plant paid a commission for the plant contract--a revelation which now confirms what has been reported all along and known by many people.

The commission paid by Westinghouse was a fat one, totalling a reported \$35-million, given to a Filipino businessman with close links to Malacanang who put up a business empire, including a paper plant in Abra which failed due to technical defects. Incidentally, this paper plant sank with million of pesos borrowed from the PNB [Philippine National Bank].

Walcher said during last Monday's "Kapihan sa Manila" [Manila Coffeeship] breakfast conference at the Manila Hotel, attended by the press, that, insofar as Westinghouse was concerned, the commission was legal and within U.S. laws as was determined by the Department of Justice and the Securities and Exchange Commission, both of the United States.

This may be so--insofar as Westinghouse was concerned--but was it proper and legal, insofar as the Philippines is concerned?

In Japan, the sale to that country of airplanes by the American Lockheed Aircraft Corporation, with big commissions to a Japanese commission agent, was labelled legal and proper by the U.S. Government but to the Japanese, the receiving of the commission was held to be a crime. Former Japanese Prime Minister Tanaka, the agent who had received the commission and Japan's most powerful political leader then, was convicted by a Japanese court to a prison term. He has since died--a broken and disgraced man.

The Philippine Government had no business employing a commission agent to negotiate with Westinghouse. The fact that the commission agent was a close crony to President Marcos has heightened the suspicion that the president himself was involved in the deal and may have profited from the \$35-million commission. If the Philippine Government had been interested in buying a nuclear plant, why did it have to bother with a commission agent? Why could it not have negotiated directly with Westinghouse?

CSO: 4200/726

PHILIPPINES

CONFESSED NPA 'SPARROW' DISCUSSES KILLINGS

Davao City THE MINDANAO MIRROR-BULLETIN in English 18-24 Feb 85 p 3

[Article by Fred M. Basanez]

[Text]

A member of an NPA liquidation squad today admitted having taken part in the separate killings of three military men in Davao City in November last year.

Derwin Calderon alias Brain confessed to probers that he was one of three NPA killers who figured in a gunbattle with Davao Metrodiscom and MISU elements at barangay Puan in Talomo here in January.

The confessed NPA killer said he took part in the fatal shooting of the late Maj. Geromias Barotilla, assistant provincial commander of Lanao del Sur at Matina (across the GSIS Regional Office) November 29 last year. Barotilla's .45 cal. pistol, wristwatch and wallet were taken by his killers.

Calderon also participated in the killing of Maj. Necito Perola, station commander of Sto.

Tomas, Davao del Norte and the fatal stabbing of a certain Cíc Agap, a member of the 427th PC Company based in Kidapawan, Cotabato. Agap's dead body was found floating at Punta Dumalag here.

Nabbed with Calderon in the Puan incident was Serafin Calag, another NPA whom authorities believe is hiding under a false name. A third terrorist was killed and a soldier was wounded in the early afternoon encounter.

Subsequent operations bagged four other terrorists who were also said to be members of Calderon's band. They were identified as Manuel Villavicencio, 25, single, carrying the code name Jojo and recruited into the movement by alias Anna and alias Jickjick sometime in August last year; Ronaldo Villavi-

cencio, 21, single, codenamed Alfie and acting as parttime collector;

Restituto Busa, 27, single, a tricycle driver living in Carmen, Dallao, Toril; and Tomasito Barrot, 31, a married fisherman also living in Dallao. They were captured by elements of the 439th PC Company.

Calderon told probers he had joined the subversive movement sometime in 1983 when he was recruited by a certain Betz, also a member of an NPA band of killers. He said he acquired his 22 cal. Magnum revolver from a certain Allan who operated in barangay Matina and Sto. Niño in Toril. The gun, owned by an unidentified home defense volunteer disarmed by Allan at Matina Aplaya in August, was taken from Calderon during the Puan encounter. — (Fred M. Basanez)

CSO: 4200/713

PHILIPPINES

REPORTAGE ON NPA ENCOUNTERS, TACTICS, CASUALTIES

16 Killed in Davao City

HK261455 Manila BULLETIN TODAY in English 26 Mar 85 p 12

[Text] Davao City--Two businessmen, two soldiers, and two women were among 16 persons killed in separate shooting incidents in this city during the last 48 hours (March 22 and 23). This brought the total number of persons killed in violent incidents in this city to 203 since January 1.

The latest victim was identified as Epi Carabuena Jr., owner of the Carabuena Machine Shop. Police said that one of the 10 armed men who barged into his residence in barangay Agdao, this city, shot him in the head. The group reportedly carted away cash and jewelry. The getaway vehicle was a jeepney.

Romy Mandito, 38, of Asuncion, Davao del Norte, was the second businessman fatally shot over the weekend. He was reportedly stopped by three armed men at the corner of P. Reyes and Rizal Streets, this city, at 7:30 p.m. Before he could get down from his motorcycle, one of the three men shot him in the head with a .45 caliber pistol.

In Talomo district, this city, two soldiers believed to be members of the Philippine Marines, were killed by armed men near a chapel. The fatalities were identified as PFC Pablo Altubar and PFC Julito Gutan. Policy said the ID's of the two victims were tattered. The unit to which they belonged could not be determined.

One of the women victims was identified as Erlinda Batulan of Panacan, this city. Three men shot her inside her house with a .45 caliber pistol. The speculation was that she was suspected by her assassins as a military informer.

The other victim was identified as Liza de la Cueva, 18, of Padre Selga Street, this city. Her body was dumped near the public cemetery here.

The other victims of violence were Faustino Decierto, 47, of Matina, Bago Aplaya; Patricio Rugay, 22, of barangay Agdao; Manintal Casan, 18, of Guezon Boulevard; Manuel Batulan, 28; Mario Tacan, 28; Ernesto Cabrera, 20; and one identified only as Wally.

The last two victims were reportedly members of the "Sparrow Unit" of the New People's Army.

### 17 Killed in Iloilo

HK270835 Manila PHILIPPINES DAILY EXPRESS in English 26 Mar 85 p 3

[Text] Fifteen suspected members of the New People's Army and two government troopers were killed yesterday in three separate clashes in Iloilo and Surigao del Norte.

In Iloilo, troopers, with the support of two helicopters, killed seven suspected NPA rebels who raided and burned 12 houses in barangay Victoria, Tubungan town.

Killed in Tungao and Sison, Surigao del Norte, were eight NPA members and two soldiers--2d Lt Dalladier Bogay and Cpl Noel Pines.

In four other areas all over the country, the NPA's were reported to have raided four government installations.

\*\*\*

Iloilo City--Government troopers, Monday, with the support of two helicopters, killed seven suspected members of the New People's Army who raided and burned 12 houses in barangay Victoria, Tubungan town, 28 km west of this city.

Residents of Victoria said some 40 heavily armed terrorists raided the barangay shortly after 4 a.m. yesterday and set fire to houses, thinking they were being used as headquarters by Civilian Home Defense Force members.

Brig Gen Isidoro de Guzman, Regional Unified Command Six commander, reinforced the outnumbered members of 326th PC Company who engaged the terrorists for more than six hours by sending airborne PC soldiers on two helicopters which made several trips to the mountainous barangay of Victoria.

\*\*\*

Butuan City--Eight suspected members of the New People's Army and two soldiers were killed in two separate clashes in Tungao, 26 km south of this city, and in Sison, Surigao del Norte, according to reports received here Monday.

Killed in the Tungao encounter were 2d Lt Dalladier Bogay and Cpl Noel Pines, and a suspected NPA member, Calixto Potot. A companion of Potot who was also slain was not identified.

Bogay and his men, of Bravo Company of the 30th Infantry Battalion, were on patrol in Tungao to verify the reported presence of "Sparrow Units" of the NPC when they were fired upon. Bogay and Pines were killed on the spot.

Pursuing soldiers killed two of the NPA's. Recovered were one .45 caliber pistol and a "baby Armalite".

In the other incident, Lt Col Manuel del Puerto, commanding officer of the 29th Infantry Battalion, sent a sketchy report to Col Miguel Sol, commanding officer of the 2nd Infantry Brigade, that six dissidents were killed in Sison. No other details were made available.

#### Paper Surveys NPA Attacks

HK261556 Manila TIMES JOURNAL in English 26 Mar 85 pp 1, 6

[Article by Daniel Floridal]

[Text] A town hall in Western Samar, a hospital in Misamis Oriental, a government project in South Cotabato and a Constabulary Highway Patrol Group [CHPG] detachment in Albay were successively attacked by separate bands of terrorists last week, belated military reports said yesterday.

One teenage Bilaan native was killed and another was wounded in the terrorist attack on the government project early last Tuesday morning in barangay Lumabat, Malungon, South Cotabato, according to a military field report.

No casualties were reported in the other attacks.

All four raids were reportedly staged by New People's Army guerrillas.

Killed in the attack on the government project in barangay Lumabat was a certain Edyek Ayam, 13. Wounded was one Mamundas Kawag, 17.

The communist raiders reportedly swooped down on the project site at about 5 a.m. and then shot up the houses of the barangay residents.

At about 7 p.m. that same day, in Misamis Oriental, some 30 heavily armed NPA guerrillas raided the Initao Emergency hospital in barangay Tubigan, Initao, and ransacked the place.

The raiders then took off with hospital supplies, assorted medicines, and a still undetermined amount of money.

Earlier, the town hall of San Jorge, Western Samar, was attacked by a big group of NPA rebels. The raiders burned down two newly constructed quarters for soldiers and Civilian Home Defense Force militiamen before responding army infantrymen drove them off.

Last Saturday, at 8:30 p.m., about 30 NPA guerrillas in fatigue military uniforms stormed the 503rd team-detachment of the CHPG in barangay Malabog, Daraga, Albay, surprising two PC [Philippine Constabulary] sergeants and three civilians inside.

At gunpoint, the rebels ordered the two troopers and three civilians to lie face down on the floor. On hearing the intruders' order, however, one of the soldiers, identified only as M/Sgt Mojita, sprinted out of the place, rushed to a PC headquarters in Daraga, and reported the incident.

The NPA were already gone when responding troopers came. The detachment lost several firearms, two typewriters, a stereo set, a motorcycle and personal belongings of soldiers to the raiders.

Meanwhile, two NPA's, a soldier and a civilian were killed and five other persons, including another trooper, were wounded in a shootout and grenade-throwing incident inside a passenger bus in barangay Lalab, Batan, Aklan at about 11:40 a.m. last Saturday.

The two terrorists, identified as Albert Dandoy and Tibur Perez, and three companions had just boarded the bus in barangay Lalab when two army corporals, who were among the passengers, noticed that they were all armed and one of them had a hand grenade.

When the two soldiers, Corporals William Torea and Rodolfo Young, asked the five why they were armed, the latter reportedly whipped out their guns and fired. This triggered the shootout during which a grenade reportedly exploded inside the bus.

Killed were Torea, Dandoy, Perez and a woman passenger identified as Rosita Fomal. Wounded were Young and four other passengers--Rizalino Ricardo, Gaudencio Pacis, Ruth Fernandez and Dominador Santos.

Some 4,000 villagers in Zamboanga del Sur have joined the military in fighting subversive terrorists, the Philippine Army civil relations and information service [PACRIS] said yesterday.

PACRIS said the villagers also pledged to resist the "deceptive ploys of the communists" in a series of dialogues conducted recently in 19 towns of Zamboanga del Sur by the Army's 33rd (Makabayan) Battalion, 1st Infantry (TABAK) Division and the 482nd PC Company.

Municipal mayors, councilmen, town development coordinators, and community leaders joined the military, led by Lt Col Antonio Sangalang, TABAK Division commander, and Capt Ferdinand Pangasi, Makabayan Battalion civil-military operations officer, in welcoming the villagers' offer to help the counter-insurgency campaign in the province.

#### Editorial on Using Liquidation to Intimidate

HK281411 Manila TIMES JOURNAL in English 28 Mar 85 p 4

[Editorial: "Communist Liquidations Keep the People Silent"]

[Text] A perusal of reports on insurgency in the country should open the eyes of the reader to the fact that the dissidents have begun a campaign to terrorize the people into submissive silence.

The killing of six barangay leaders in Agusan del Sur has been described as "summary executions" by terrorists of the New People's Army, the military arm of the Communist Party of the Philippines. This is not the first time it has happened. Hundreds of town mayors, vice mayors, barangay captains and barangay councilors have died at the hands of "Sparrow Units" of the NPA.

It is part of the modus operandi of the terrorist squads and fits into the overall program of the Communist Party in its efforts to take over the country.

It is also obvious from the outset that little or nothing is ever said about liquidation of minor government officials whose only sin it was to serve the government faithfully. On the other hand, the propaganda mills of the subversives continue to grind out reams and reams of press releases and other propaganda material aimed largely at eroding the people's confidence in the government. These include among other things, a hate campaign against the military and the police and attacks against the abuses of government as a whole and the "farce" that is the fascist administration of dictators posing as democrats.

The hate campaign has been effective because it repeated over and over, as Hitler's propaganda minister Joseph Goebbels said, a lie can be made to sound like the truth.

This, and the suppression of the people's will to speak in areas where communist influence have gained ascendancy.

The communists are also riding on the coattails of the opposition which is legitimately trying to topple the incumbent administration through peaceful means--the elections of 1986 and 1987.

Abuses in government, be they military or civil in nature, can be eradicated under our present system of government. In a democracy like ours, abuses are only transitory and temporary. The abuses the communists would impose, however, on the Filipino people once they are in power could last a lifetime.

The people can and must act to do away with excesses under the present system of government, but they must also stand up to the terror which the communists seek to impose on them and fight this terror fearlessly.

#### Further Details on Maritime Academy Raid

HK271058 Manila Radio Veritas in Tagalog 1000 GMT 27 Mar 85

[Text] The military is carrying out a massive search for the men who raided the Visayan Maritime Academy in Bacolod City, making off with various types of high-powered firearms. According to Mr Joe Cabuat of radio station DYHB in Bacolod City, the city was under a brownout when the raid took place. The 20 to 30 men, who arrived in two [words indistinct] and one Ford Fiera, are believed to be members of the New People's Army. As of broadcast time, no further details have been received about the search for the raiders.



[Begin Cabuat recording in English] The raid took place at the Visayan Maritime Academy in barangay Logoad, Bacolod City. The academy is owned by Ambassador Roberto S. Benedicto. More or less [number indistinct] firearms were seized by 20 to 30 heavily armed men driving [words indistinct] and a Ford Fiera last Monday evening at around 7 o'clock. There was a brownout during the raid. [end recording]

CSO: 4200/710

PHILIPPINES

PAPER ON EFFECTS OF MILITARIZATION IN LUZON

HK011203 Manila BUSINESS DAY in English 28-29 Mar 85 pp 5-6

[Article by reporter Joel D. Lacsamana: Militarization in Central Luzon--  
"What It's Like for Civilians"]

[Text] Sitio San Juan in Barangay Moriones, Tarlac, is a far-flung, woeful patch of farmland some two hours' ride from Tarlac, Tarlac. The place is well nigh inaccessible except for a winding rock-strewn feeder trail that may be ideal for carabaos and bulcarts, but is certainly an abomination for any motorized vehicles that dares to take on its tortuously rutted path.

In San Juan, everything is bone-dry, from the sunbaked rice fields to the dust-powdered trees and whatever plant life has managed to sprout from the parched earth. The most elementary form of irrigation has never even reached the place, which most subsistence farmers straight-facedly call "Marlboro country." Indeed, the area is extremely rough and the hardy people who till its soil rely mainly on rainwater to wet the earth and nurture their crops. Now even this crude form of agricultural enterprise has ground to a halt. To be more precise, life itself has virtually stopped in Sitio San Juan.

The barrio is now deserted. The bamboo and sawali houses with roofs of pawid still stand but they are empty. All form of life, except for an occasional dog foraging for food, are curiously absent giving the town an eerie, if not bizarre, atmosphere.

Some 80 families used to live in this hamlet which now seems suspended in limbo. Early last month, the people here just packed up and left, bug-eyed with terror, clutching their life-long belongings, crying children, squealing pigs and chickens, farm equipment, pots and pans and all. Like they were trying desperately to escape some mortal horror, some unspeakable evil that had suddenly descended on their land....

Four people were "salvaged" (a local term for summary execution) last January 9 not far from the main poblacion of Sitio San Juan, just off the lush banana grove towards the east of the town: Mauricio Duldulao, a 56-year-old cowhand, married with two children; Francisco Alagao, 30, farmer, married with 5 children; Eduardo Tomas, 23, farmhand, married; and Jun Foronda Santos, a farmer, married with four children.

It was not so much the killings that drove the residents of San Juan into a panic--so much so that they abandoned their houses en masse--but the way their executions were carried out. According to their wives, Duldulao, Tomas and Alagao were picked up at 11:00 in the evening of January 9 by seven to 15 "heavily armed men in camouflage fatigues." Crisencia Duldulao and Loida Gragasín Tomas, the wives of two of the victims, told BUSINESS DAY they did not know the men who took their husbands ("Had they come from the neighboring towns, we would have recognized them"); the visitors had said they only wanted to talk to their husbands. That was the last time the two saw their spouses alive.

The three farmers were found on a rice field near the banana grove outside the sitio. The bodies bore numerous stab wounds and were badly mutilated (Duldulao and Tomas were almost decapitated, with only thin strands of tissue attaching the heads to the shoulders).

Santos's death came 26 days later on February 4. He had come to San Juan, where he had been a long-time resident, to attend the funeral of the victims. At the time, speculation was rife that the three had been "salvaged" (allegedly by military troopers) on the suspicion that they are NPA (New People's Army) sympathizers. The wives of the victims deny this vehemently saying that all three were simple farmers who had no political or ideological affiliations that they knew of.

On the morning of February 4, Santos's body was found right in the banana grove itself, his body bearing stab wounds and in the same mutilated condition of the first three victims.

The death of Santos pushed the people of San Juan to the brink of hysteria. The 80 or so families residing in the barrio hastily packed whatever they could carry and evacuated to the neighboring towns. "The talks was that the four murdered men were suspected NPA sympathizers," said Romulo de la Pena, a San Juan farmer now living in neighboring Barangay Moriones. "But the townspeople weren't staying to find out. So we left. All of us. We don't know who would be next. I'll tell you now, nobody feels safe in San Juan. Not now, at least," he said.

"Some of us go to San Juan now and then during the day to work our fields over there," said Alberta Tomas, whose husband is the uncle of the murdered Eduardo. "But we leave and go back to Moriones just before it gets dark. We fear that our husbands might be harmed too. Right now, we have no plans of going back," she declared.

A whole town abandoned en masse? One can imagine the terror that drove these people to leave their homes and fields to seek refuge in neighboring towns. More shocking, however, is the fact that rather than seek justice for the brutal crime that had been perpetuated against four of their barriomates, the people of San Juan have opted instead to run and forget the whole thing. In a way, this case raises serious questions not so much about the increasing militarization of the provinces--which is actually a problem in itself--but

about the glaring absence of an effective system by which people like the former inhabitants of rural San Juan can seek redress for their grievances. If these rural folk cannot turn to their barangay captains, their town mayors, provincial governors, military detachments or local Civilian Home Defense Forces (CHDF), then they have no choice but to run. The question is, to whom?

What happened in Sitio San Juan is not an isolated case. The specter of massive militarization in the countryside is a rapidly growing menace that is all the more alarming when considered against a worsening economy that is adding fuel to a burgeoning insurgency movement.

The phenomenon points up to a grave dilemma for the government. It has to expand and strengthen its military presence in the countryside where the rebel movements are doing the most damage. But by doing so, it increases the counter [word indistinct] of military abuses and atrocities against innocent civilians caught in the crossfire.

One reads about them all the time: alleged massacres, salvagings, disappearances, mass arrests, detentions, illegal searches, raids, hamletting practices and other forms of human rights violations. How true are these cases? What is the prevailing human rights situation in the country today? What is the government, particularly the military, currently under fire from various "cause-oriented," opposition and church-based groups for its unwieldy role as guardian of peace and order in the country, doing about it?

Recently, a fact-finding mission was organized by several national and regional-based groups to investigate the scope and breadth of alleged military abuses in one particular region in the country and ascertain its effects on the civilian populace living in three of its provinces.

The mission was sponsored by the Ecumenical Movement for Justice and Peace (EMJP) Philippines, a church-related federation of human rights organizations. During the past few years, the group has conducted numerous fact-finding missions, visiting different regions (particularly those considered by the military establishment as "hotbeds of dissent") and investigated cases of illegal arrests, military salvagings and massacres. Last week, the EMJP embarked on another four-day mission, this time in Central Luzon or more specifically, the provinces of Pampanga, Bataan and Tarlac.

Why Central Luzon? Sister Pat Lardizabal, acting EMJP executive secretary explained: "The situation in these areas is definitely getting grave as evidenced by increasing cases of human rights violations. People's rights are being grossly trampled upon and the military is often the culprit."

The Central Luzon region is considered to be one of the richest in natural resources and manpower. It covers 2,672,827 hectares of arable land (750,000 hectares of plains passing through five provinces) or 8.9 percent of the total land area of the country. The region is composed of seven provinces--Zambales, Bataan, Tarlac, Pampanga, Bulacan, Nueva Ecija and Aurora.

The region is the major supplier of the agricultural needs of the biggest market in the Philippines--Metro Manila. It has the third biggest population making up 13.6 percent of the national population. Most of the residents live in urban communities with a high literacy rate of 83.28 percent. Due to this highly literate manpower resource, Central Luzon has been a perennial supplier of highly skilled technical workers here and abroad. Thus, the region has been a rich source of dollars for the country's coffers.

Another outstanding characteristics of the region is its long history of class struggle, particularly of the peasants' and workers' classes. Add to this the record of heated political rivalries that have produced some of the greatest leaders and statesmen of the country. Indeed, what one finds in Central Luzon today is a curious amalgam of revolutionary zeal combined with flamboyant political style, the whole thing wrapped in one turbulent package.

It is also in Central Luzon where the government believes the armed forces is needed most not only to ensure the continuity and implementation of its infrastructure and economic productivity programs, but to protect the various multinational corporations that have set up shop in the region. To wit, the Bataan Export Processing Zone (BEPZ); Pampanga Export Processing Zone (PEPZ) in Angeles City; Bataan Nuclear Power Plant in Morong, Bataan; Limay Oil Refinery; the Philippine Refugee Center; Philippine Explosives; Pantabangan Dam and Agno Dam; Planter Products and most of all, the two largest United States military installations in the Asia-Pacific region, Clark Air Base in Pampanga and Subic Naval Base in Zambales.

As to the regular armed forces deployed in the region, one can say that "they're everywhere." The Philippine Constabulary-Integrated National Police (PC-INP) is in all the provinces. The Philippine Army (PA) in Bulacan, Nueva Ecija and Tarlac, the Philippine Air Force (PAF) in Pampanga and Tarlac, the Philippine Marines in Bataan, the Philippine Navy in Pampanga, Bataan and Zambales. Also present are the elite troops such as the Special Warfare Army Brigade (SWAB), the Long Range Patrol (LRP), and the controversial Cabanatuan-Nueva Ecija Command (CAB-NEC) in Nueva Ecija. There are also the intelligence units like the National Intelligence Service Agency (NISA), Military Intelligence Group (MIG), Criminal Investigation Service (CIS) and the Constabulary Anti-Narcotics Unit (CANU) which are scattered in the region's provinces.

One of the sore points in the current human rights situation in Central Luzon is the presence and phoenix-like rise to power of the paramilitary forces such as the Integrated Civilian Home Defense Forces (ICHDF) and the Civilian Home Defense Forces which are assigned in most barrios and barangays in the region.

Local human rights groups contend that these paramilitary forces are nothing more than "armed thugs" who together with some tribal minorities (lured with the promise of financial rewards) and, allegedly, some members of a minority sect (said to be encouraged directly by its Metro Manila main headquarters) are tapped for espionage, especially in the provinces of Pampanga and Tarlac.

Also included under the paramilitary forces is a network of civilian informers employed in the buy-and-sell trade of beddings, personal belongings, kitchenware and utensils, gold and jewelry. These informers' access to barrio residences make them ideal operatives in the hunt for "subversives" and NPA supporters.

The armed forces are also supplemented by the United States Armed Forces--the U.S. Navy, U.S. Marines and the U.S. Air Force--which provide security in two of the biggest military installations, the Clark Air Base in Angeles City and Subic Naval Base in Olongapo City. The San Miguel Naval Communications Center in San Narciso, Zambales facilitates direct lines of communication from the U.S. Also part of the bases' facility is the Crow Valley Bombing and Gunnery Range in Camp O'Donnell in Capas, Tarlac.

"There is a prevailing climate of fear brought about by the presence of Philippine and U.S. armed forces in the region," contends Tito Mendiola, the barangay captain of Fortuna in Floridablanca town where the Basa Air Base is located. "Here in Floridablanca alone, 11 persons have been salvaged since last December and things have worsened since the PC was pulled out and the PAF based in Basa Air Base took over military operations here. The pattern is clear. The military, particularly here in Pampanga, has been conducting a systematic reign of terror as evidenced by the growing number of unsolved killings," he said.

Asked whether the dissident movement in Pampanga calls for stringent military solutions, Mendiola snorts: "The dissidence situation here is minimal. Thus, military operations such as the ones being conducted by the Regional Unified Command (RUC) here in Pampanga, are totally unjustified. What they (the military) are trying to do is a simple case of 'unhaahan,' [going first] that is, they're trying to terrorize and intimidate the citizens first so they won't go to the NPA. What the military bright boys seem to have so conveniently overlooked is that their reign of terror can work both ways. The people will be forced to sympathize with the dissidents due to military abuses."

Colonel Abelardo I. de Dios, area commander of the Security Group at Basa Air Base, disagrees. "Pampanga has a heavy incidence of dissident activity, particularly in the towns of Floridablanca, Mabalacat and Porac, of which I am responsible," De Dios told BUSINESS DAY. "Thus, we believe, an effective military presence in the area is necessary. In fact, since we've put up detachments in several areas, the NPAs have been having a hard time penetrating the barangays. They cannot convey their teachings and propaganda. Credit this also to the CHDF presence in the towns since they know all the people around and they can easily detect a stranger in one place. I believe the dispersal of soldiers in the barangays is a very effective force.

Some barangays, in fact, are asking us to put detachments in their areas to protect them. So you see, we're doing a good job? he said.

De Dios explained that once a barangay has already been "influenced" by the NPA, "we come in--even if not asked by the people--and disrupt these activities in the interest of national security."

De Dios added that he relies heavily on "military intelligence," though he would not comment on how accurate and reliable these intelligence sources are. "Of course, we don't just conduct military operations like search and destroy missions," he said. "For example, one of our aims is to counter communist propaganda. So we go to the barangays and conduct seminars to inform the people that they have a government ready to protect them. We conduct pulong-pulong (get-togethers) to thresh out problems."

On military abuses, De Dios said he has told all barangay officials under his jurisdiction to report all cases of military men overstepping their authority to him so he can mete out the necessary punishment or disciplinary action. "Of course, you must understand that you cannot rein in all unruly soldiers," he added. "That is impossible."

Ironically, De Dios hit upon the right word: Impossible. There are 15 outstanding cases documented by the Task Force Detainees-Central Luzon (TFD-CL). BUSINESS DAY was able to interview relatives of two celebrated cases of military atrocities in Pampanga Province.

The first is the case of Rolando Castro, Lito Carbrera and Pepito Deheran, three young men who, TFD-CL records show, were arrested, tortured and killed by PC and CHDF elements in Sapang Bato, Angeles City.

The people of Sapang Bato are a militant lot who make it a point to participate in mass actions denouncing human rights violations and what they perceive as playing fast and loose with democratic principles. Deheran, Castro and Cabrera were no exceptions and they participated in last year's Lakbayan and Sakbayan rallies during the boycott campaign in the May 14 elections. Shortly after that on May 28, the trio was abducted at about 2:00 a.m. while they were resting in a nipa [palm frond] hut in Sapang Bato.

Two days later, the dead bodies of the three were found. Rolando Castro, 24, had stab wounds, his neck slashed open, both arms and kneecap broken; X's were etched all over his body. Lito Cabrera's body had much the same marks except that he had 38 stab wounds, one of his eyes had been gouged out, both arms broken and his face and neck almost disfigured by wounds. Pepito Deheran, with 19 stab wounds, survived the ordeal and was able to give an account of the incident and identify its perpetrators after he was rushed to the Central Luzon General Hospital.

Deheran would have lived, his mother, Victoria Deheran said, had not an unknown assailant entered the emergency room the night he was in the hospital and pumped a syringe full of poison into his neck. Deheran apparently put up a struggle (he was found with the syringe in his hand) but he eventually succumbed to what the medical report termed as "cardiac arrest."

But Deheran had already made a statement implicating two CHDF troopers, Rudy Cortex and Pedro Capulong. He said the two were with several uniformed soldiers with no name tags.

Capulong was arrested but Cortex was able to escape and is reported to be still at large. Felicidad Castro, mother of Roland, told BUSINESS DAY that she often sees Capulong and Cortez freely roaming the streets of Angeles City. "Cortez is said to be under the protection of an influential colonel in Angeles City," decried the grief-stricken mother.

Elvira Cabrera, wife of Lito, says that although Capulong had already been caught, he is granted special treatment in the soldiers' barracks where he is presently "detained."

"Capulong committed a capital offense which is non-bailable," remarked lawyer Jose Suarez of Piglas-Pampanga. "In fact, he should be confined at the city jail and not in the barracks. Now, it is reported that he goes out a couple of times a week."

Mrs Deheran accused the authorities of trying to cover up the whole incident in the hope that public curiosity about it will die away. "We are very poor and we have nothing, only our faith in justice," she said. Even Pampanga Governor Estelito Mendoza promised us a fair and honest investigation but nothing has been done. We often see the murderers of our sons in the streets, carrying guns during rallies. Where is justice when the very people you seek redress from are the suspects themselves? Tell me."

The second case BUSINESS DAY was able to document was that of the infamous Mabalacat massacre which occurred on April 7 last year. Eight people, Rafael Ocampo, Alex Bundalian, Eduardo del Rosario, Eduardo Abella, Federico Dingal, Romeo Sebastian, Restituto Paguio and Jesus Sarmiento, were picked up by a certain George Policarpio (allegedly with CIS connections) in the afternoon of April 6 in Sitio Burak, Barangay Dolores in Mabalacat, Pampanga.

At 2:00 p.m. the following morning, residents of Dolores reportedly heard gunshots. The following day, the bodies of all eight were found in Sitio Burak with their hands tied behind their backs and their bodies "severely mutilated." The official report noted that the eight were liquidated by an NPA unit.

"We do not believe our husbands were killed by the NPA," said Rosie Ocampo, wife of Rafael. "My husband had no connection with the military and the CHDF so why would the NPA kill him? Besides, George Policarpio has never surfaced to tell what really happened that night."

Mrs Ocampo told BUSINESS DAY her husband's body was found with one leg cut off, his throat stabbed several times, his head bashed in and his sex organs sliced off. The other wives of the victims confirmed that the bodies of their husbands bore more or less the same gruesome marks.



Mrs Ocampo also told of PC officers, the Mabalacat station commander, the chief of police and Governor Mendoza himself going to their place promising to solve the case. "A certain Colonel Cinco of the PC gave us P [pesos] 3,000 each but made us sign affidavits so we cannot file charges against the military," she related.

Catalina Abella, the wife of Eduardo, told BUSINESS DAY that her husband went with Policarpio because he thought they would be making a business deal. "We needed money badly so my husband left with Policarpio. Later, after the killing, Colonel Cinco told us the NPA may have mistaken our husbands for military informers. He gave us the money and told us to sign the affidavits which he said came from a collection fund put up by his men."

Both women confirmed that the massacre has never been investigated. "Colonel Cinco and a certain Colonel Ocampo told us that after we signed the affidavits and had taken the P3,000 each they had offered us, tapos na ito (this will be finished)," said Abella.

The next stop of the factfinding mission was Bataan, which the TFD-CL pinpoints as one of the areas in the region which has the highest and worst incidence of human rights violations. "For this year alone, we have documented 38 cases of military atrocities in Bataan since January," claimed Makabayan-Bataan chairman, lawyer Dante Vlaya. "Credit this all to the new base commander at Camp Tolentino in Balanga, Col Reuperto Andaya and his intelligence sidekick, Major Mario Jalata."

Added Fiscal Vidal Tombo, Alab chairman: "These two military officers have set back the course of human rights in Bataan to the dark ages."

BUSINESS DAY interviewed Colonel Andaya at the Camp Tolentino base in Balanga; he is a stern, taciturn officer whose avowed aim is to keep Bataan "red-free."

"It was here in Bataan that the provincial party committee of the Communist Party of the Philippines (CPP) was first established and organized in 1968," Andaya said. "This province is a hot spot, believe me. I would say that in Samar alone, we have an invisible government and that the people here have already been heavily influenced by the NPA."

Noting that the approximate strength of the NPA in Bataan is "roughly about 250,000," Andaya pointed out that a liberal policy cannot work in the province. "Liberal policy? You have to apply it on a case-to-case basis. But if you see that a liberal policy is helping the enemy, you must discontinue this policy." "My policy here in Bataan is two-pronged," Andaya explained. "On the other hand, we conduct civic-action programs like free medical and dental services, pulong-pulong, and dialogues. We even have a Lakbayan [travel] program where in we provide vehicles and food to participants whom we bring to the Bataan EPZA [Export Processing Zone Agency], the nuclear plant, the Bataan Refining Corporation and the Refugee Processing Center in order to expound on the benefits of these projects to the country."

"On the other hand we have our mailed-fist policy wherein we use military force to crush hard-core NPAs in the barrios and in the towns," he said. "This policy, I must admit, is more effective but harder to implement since the NPAs are hard to find. Our number one problem on this score is that in the places where the NPAs are, the people are aiding and abetting them. Thus, we have to work extra harder."

Colonel Andaya's mailed-fist policy was apparent last February 15, when 15 farmers and fishermen from Orani, Bataan were arrested by troopers and several other CHDF personnel in Layac town at around 10:00 p.m. The 15 had just returned from delivering food to farmer rallyists camped in front of the Ministry of Food and Agriculture (MFA) in Diliman, Quezon City.

Suspected of being "subversives," six of the 15 were allegedly tortured and beaten up at the Layak checkpoint and then brought to Camp Tolentino for interrogation by Major Jalata.

"We were trussed up with electric wire in the interrogation room at the camp and they took turns beating us up with rifle butts and pistols," Bonifacio Cruz, a 20-year-old farmer, told BUSINESS DAY. "Then I was put in a garbage pit up to my neck and the barrel of a 45-caliber pistol was shoved into my mouth. I was told that if I didn't admit I was an NPA, they would kill me. But I wouldn't admit it and I was continually beaten for two days and forced to sign a statement saying I was a communist and that I wasn't tortured. Finally, I signed the paper and that was when they stopped beating me," said Cruz as he showed this reporter the bruises on his body which had already healed slightly but were nonetheless apparent upon closer scrutiny.

Romy Medina, a farmer and part-time watch repairer also from Orani, told BUSINESS DAY that at one point during his interrogation, at Camp Tolentino, Major Jalata came into the room and told him to pinpoint a certain Ka Demet and Ka Alan, both NPA commanders. "I did not know who those two were and said so. Major Jalata merely smiled, nodded, then left the room. Immediately, a blindfold was put over my eyes and my interrogators started beating me up," he narrated. When BUSINESS DAY talked to Medina, his right ear oozed with blood and pus which he said had been the result of continuous blows ("Pompyang," he called it) and was having a hard time breathing. Two of his ribs were protruding and his chest felt very tender. "I was punched and kicked repeatedly until I signed a paper saying I was an NPA and was never tortured," he said.

Colonel Andaya explained these apparent cases of maltreatment of prisoners thus: "My men are only human. Their comrades were killed by NPA and when you catch the murderers, things happen like maltreatment. Of course, I do not allow that but I cannot keep watch over my boys all the time. It's like a policeman who sees a 'No Parking' sign but he doesn't enforce it. You can't blame me for that since every now and then, I remind my soldiers to enforce the law."

Andaya, by the time BUSINESS DAY talked to him, had already released three of the five suspects. "I think that four or five of these guys we caught are true NPAs and hardcore partisans," he said. "We are going to charge them."

Andaya ended the interview in grand style. One of the members of the fact-finding committee brought to the colonel's attention a recent case of a farmer suspected of being an NPA sympathizer. Virgilio Factoran, 38, reported to Camp Tolentino for interrogation. The following day, he was brought home in a casket with a medical report saying he had died of a heart attack.

"Colonel," asked the interviewer, "Factoran never had a history of a heart condition in his whole life, according to his relatives. Could it be possible that something else was done to him here in the camp, like he was tortured?"

Andaya smiled: "Well, I know of a lot of people who die of heart attacks even though they have no history of heart trouble," he said. And then he gave an even broader smile. "And about the possibility of his being tortured. Why, everything is possible under the sun. He could have been tortured, why not? That is possible. You," (and he fixed the questioner with a baleful eye, the smile suddenly cold) "You can die right now...right? That is also very possible. Anything is possible...." He smiled again. "...Right?"

The final phase of the fact-finding mission came when the different participants sifted through the data compiled, analyzed the findings based on the reports and interviews, and recommended possible steps that would help in countering increased militarization in the central Luzon region.

"It is clear there is an intensified strategy of militarization in the region today," noted lawyer Jose Suarez of Piglas-Pampanga. "In Bataan, militarization is vital to the different multinational investments there, particularly the impending operation of the nuclear plant.

"Besides, the elections are coming and the military is sort of 'softening up' the province," he said.

"In Pampanga, the pattern seems to point towards the ascendancy of Governor Estelito Mendoza in the province. This, plus the rebel movement in the area and the economic importance of Pampanga as a farm and agricultural production source," he added.

Lawyer Liborio de Jesus pointed out, on the other hand, that the trend in Tarlac is the massive show of force particularly among the ranks of the CHDF paramilitary forces. "We have documented cases where in it is the CHDF who are being pinpointed by victims as the perpetrators of atrocities in the province," he said. "In fact, cases have been unearthed where the local CHDF groups ear money off the farmers by establishing protection rackets in the irrigation facilities. Those who resist are rubbed out summarily."

Indeed, the CHDF forces, according to TFD studies, act as the "civilian buffer" for the military not only in Tarlac but in other provinces in Central Luzon as well. The CHDF are always in the scene of the crimes and the two common denominators which witnesses or victims never fail to point out are the presence of high-powered weaponry (i.e. M-16s, 45s, etc) and fatigue uniforms. Furthermore, the CHDF are the ones tasked with overseeing the different barangays all over the region. Whether the operations of the CHDF are sanctioned and condoned by the armed forces is another matter altogether.

Another trend evident in the Central Luzon area is the renewed and vigorous use of the carrot-and-the-stick policy as so succinctly outlined by Colonel Andaya of Bataan. Civic action programs (Oplan sa Katatagan [Plan for Stability], etc) are introduced such as dental and medical services, infrastructure and maintenance, etc.

But simultaneous with this civic action policy is a corresponding show of force and deployment of the military to flush out insurgents and suppress rebel activity in the area. "Setting examples" of suspected rebel sympathizers is just one strategy. Scaring off a whole village into evacuating from their sources of food and refuge is another.

To be sure, this "hearts and mind" policy is nothing new. The same strategy was used in Vietnam and is believed by many Third World revolutionary movements to be a CIA concoction.

"Actually, this has been done before," noted a TFD worker who declined to be identified. "In fact, based on official documents which we happen to have copies, 'Oplan Cadena de Amor' [Plan Chain of Love] a similar game plan being implemented by the armed forces in the Bicol and Quezon province area--known officially as LOI 2-81--is to be implemented nationwide, particularly in the different provinces in the country."

It used to be a land of broadly sweeping plains and dry fields nurtured to abundance by the farmers who till its soil. It still is, of course. Today, however, Central Luzon has taken on a grim countenance. Terror now stalks the land and the rule of the gun has surpassed the rule of law.

A war of attrition is being fought across this land, a war of two clashing ideologies where in the end there can only be one victor.

Meanwhile, the simple people of this region--the farmers, the fishermen and other ordinary folk--are caught in this bloody battle of political and ideological titans. They can only look on, cower or run. Out there where life is lived with urgency, the need to believe something, anything, is just as urgent.

# **Statistical Data on Military Atrocities in Central Luzon Region**

**Source: Task Force Detainees (TFD)**

<u>Cases</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>
Assets/detention	23	20	66	42
Torture (det's and non-det's)	128	156	66	42
Disappearances	7	7	6	9
Salvaging	9	7	7	22
Massacre incidents	0	5	1	2
No of victims	0	15	5	11
Burning of crops incidents	3	3	0	-
No of houses	0	0	3	-
Fake mass surrenders incidents	0	1	1	4
No of victims	0	200	63	522 plus 11 brgy.
Illegal house raids/searches	31	23	15	41 houses 7 brgy.
Looting	13	11	3	5
Harassment	0	0	4	7 brgy.
Strafing	0	0	3	-
Mass evacuation	0	0	0	3 barrios
Political assassination	-	-	-	1

**Note:** Documentation includes only reported cases. Many abuses go unnoticed due to victims' fear of reprisals and difficulty in communication (as well as inadequate skills in proper documentation).

**CSO: 4200/726**

PHILIPPINES

FORMER PRESIDENT CALLS ON ARMY TO HELP RESTORE DEMOCRACY

HK011617 Manila BUSINESS DAY in English 1 Apr 85 p 24

[Text] Former President Diosdado Macapagal has called on the armed forces "as former commander-in-chief" to help restore democracy and make the military the army of the people and not one "in the service of foreign interests or owing personal loyalty to an overstaying president."

In a press statement, Macapagal, who served as president of the 1971 Constitutional Convention, said, "That is what the military is for: to be an army of the people, a friend and protector of their safety, and not to be an enemy of its countrymen."

At the same time, he advocated constitutional safeguards to prevent another dictatorship and military takeover in the Philippines.

Macapagal also urged the U.S. Government "to protect its interests in the Philippines under international comity in ways that do not include supporting and nourishing dictatorship in this country."

Contending that the factors causing coups and military takeovers in some countries in Africa, Asia, and Latin America do not exist in the Philippines, the former president disagreed with fears that the armed forces may establish a military dictatorship in the Philippines, saying "This can only happen if the U.S. assents to it and gives its backing."

He endorsed the constitutional safeguards to prevent dictatorships and military takeovers which are proposed in the draft of a new Constitution framed by the 1971 Constitutional Convention which, "not having adjourned, reconvened in March 31, 1981."

He cited the following safeguards provided in the proposed new Constitution:

Placing the establishment of martial law exceeding 30 days under the control of the National Assembly.

Making mandatory judicial jurisdiction and inquiry over habeas corpus cases at all times.

Establishing a citizen army.

Obviating the concentration of generals to one ethnic group.

Prohibiting the extension of service of retirable officers except in war or national emergency.

CSO: 4200/726

PHILIPPINES

BRIEFS

RADIO VERITAS ASKS FOR SUPPORT--Friends, our services are meant for all you listeners as a means of showing our gratitude for your support of our station. We hope that you will continue providing the support which Veritas needs very badly. As you know, this station is now undergoing difficulties. Our broadcasts are from 5 to 10 in the morning and from 5 to 10 in the evening, which are not enough. We would like to be able to provide you with uninterrupted service but this is not possible because we have no money to pay for the electricity. Do you know how much we spend monthly for electric bills alone? Half a million pesos? And the amount is still going up. We just cannot continue to carry this burden. So we ask that if you think Radio Veritas is doing its job and is playing its role, please give us your support. If you have something to suggest or any kind of help you want to commit, call Orly Punzalan at telephone numbers 904704 or 902666. Thank you very much. [Text] [Manila Radio Veritas in Tagalog 1000 GMT 28 Mar 85] 8571

CSO: 4211/45



SINGAPORE

BRIEFS

BRITISH ENVOY PRESENTS CREDENTIAL--The new British High Commissioner to Singapore, Mr William Ershine Hamilton Whyte, presented his credentials to the Acting President, Chief Justice Wee Chong Jin, at the Istana yesterday. Mr Whyte, 57, was the British High Commissioner to Nigeria and Ambassador to Benin until last year. [Excerpt] [Singapore STRAITS TIMES in English 26 Mar 85 p 11 BK]

EMBASSY MOVED TO RIYADH--The Ministry of Foreign Affairs has announced that the Singapore Embassy in Saudi Arabia has been moved from Jeddah to Riyadh. The transfer earlier this month follows Saudi Arabia's decision to relocate the diplomatic corps. The Singapore Consulate has now been established in Jeddah. [Summary] [Singapore Domestic Service in English 1300 GMT 26 85]

CSO: 4200/705

THAILAND

CHAMBER OF COMMERCE HEAD ON EXPORT DRIVE, INVESTMENT

Bangkok WIWAT in Thai 2-8 Mar 85 pp 18-21

[Interview with Somphon Susangkonkan, the president of the Thai Chamber of Commerce; date and place not specified]

[Excerpts] [Question] What is the export situation like at present? And where do things stand now in the dispute about export quotas?

[Answer] Just after the present government took office, it told parliament that it would follow a free-trade policy. Thus, we could no longer do things as we had done in the past. For example, having just one person sell goods to a particular country was no longer possible. We opened free trade. Take rice, for example. There are 40 companies that sell rice. But what if there is just one buyer. For example, if Japan, which purchases corn through an organization known as JAPTA, is the only buyer, if there are 40 of us trying to sell goods to them, we will be at a great trade disadvantage since they will buy from the one who offers the lowest price, which is usually a small company. If the domestic price of corn increases before the corn is shipped and it reaches the point where they cannot make a profit, they abandon the matter. Thailand's reputation is damaged.

Before the implementation of this free-trade policy, we compiled export statistics from past years and used these to assign quotas to each company. But sometimes, others went and asked the Ministry of Commerce for permission to engage in trade activities, saying "is there any law that prohibits me from establishing a company?" These new companies did not have any export background, but they complained that their rights were being violated. This is what caused all the trouble. We have to supervise things to ensure that they do things correctly and do not damage Thailand's reputation. For example, before corn is exported, they have to get a letter of guarantee from the bank and give it to the Thai Chamber of Commerce. We charge 400 baht per ton. If they are exporting 1,000 tons, they have to put up 400,000 baht. But it doesn't have to be in cash. That would make trade costs too high. The bank letter of guarantee costs them only 1 percent. That is, they have to put up only 4,000 baht per eyar. If the period is for 3 months

only, they have to put up just 1,000 baht. This is to ensure that if they do not do things properly, we can use their money to compensate the other country.

[Question] At present, there is a conflict between Mr Koson Krairuk, the minister of commerce, and Mr Danai Dulalmpha, the director-general of the the Department of Foreign Trade, on the matter of export quotas. What is your view on this?

[Answer] Their affairs are their affairs. But concerning the things going on at present, regardless of whether it concerns textiles or garments, which are in the news these days, you must remember that Thailand is an underdeveloped country. The developed countries should provide help. Furthermore, we share a border with Cambodia. We can't possibl support another 100,000 refugees since that would cost too much. Our economy would definitely suffer.

Do not make the mistake of thinking that the large developed countries will have sympathy for an underdeveloped country such as Thailand. They will establish barriers. For example, this year, they said that they would accept 100,000 textiles articles and no more. Or they might increase the import tax from 2 percent to 6 percent, which would help their domestic companies that produce similar types of goods.

Take the production of weapons, for example. Other countries began this before us. They made a huge profit from sales here. They exported large numbers of weapons and could demand any price they wanted. This is called "dumping." They put pressure on prices. But ever since we began this, we have lost money. We have added a surcharge. We examine their prodution costs and ours and then set a suitable barrier. They say that we have barriers, too.

We must try to improve our goods. Actually, we have an advantage since our cost of living is much cheaper than theirs. Labor costs are low here. And Thailand has never suffered a terrible natural disaster as have other countries.

[Question] What is your view on the export policy of the Ministry of Commerce, which is headed by Mr Koson?

[Answer] Mr Koson has often said that the Ministry of Commerce is a ministry that makes very wasteful use of the minister. When Mr Chuan Likphai was the minister, he told me that serving in this ministry was like sitting on the beach with wave after wave rushing up. In this ministry, the minister is very exposed and so ministers do not last very long. But Mr Koson has held this position for 1 year and 7 months now. I don't think that Mr Koson is as calm as me. He has too many duties. He rarely comes to take a rest and discuss things here. We have limitations. We can't work 24 hours a day.

[Question] Will the devaluation of the baht help exports? What are things like at present?

[Answer] I would like to say again that many countries in the world have devalued their currencies. Malaysia exports more than it imports. It has much oil. But it has devalued its currency. The same is true for Singapore and Korea. Thailand had no other recourse but to devalue the baht. If it had been up to me, I would have done that at the end of 1983. Just as in trade, I would do things gradually, raising the price a few salung [1 salung equals .01 baht] a month. People would hardly notice this. But if prices are increased greatly at one time, people will oppose this. For example, when Gen Kriangsak raised oil prices 15 percent, people complained that this was too much.

I supported the devaluation of the baht. Because in the past, imports exceeded exports every year. This had to be done to reduce imports by making imports more expensive. When the baht was devalued, imports became more expensive and so people were not as quick to purchase foreign goods.

As for what can be done to increase exports, action was taken by devaluing the baht. Take the 17 percent devaluation, for example. At the old prices, no one would purchase our goods. But by lowering the price 17 percent, they will purchase goods. After arguing back and forth, it may be agreed to reduce the price of the goods 5-10 percent. The goods will be paid for in dollars or some other currency as agreed on. But when the currency is converted into baht, we will get more than before. Merchants will sell large quantities. But just after the change, trading stopped until the situation stabilized. At that time, there were rumors that the baht would be restored to its old value. If that had been done, Thailand's reputation would have been ruined. When they saw their stocks becoming depleted, they became interested. If their stocks are full, they will not be interested no matter how low the price.

If we start exporting more and importing less, the balance of trade problem will gradually improve. But this will not happen all of a sudden. This will take time.

[Question] What do you think about the efforts of the Prem government to solve the economic problems? Some people are saying that in 1985, the economic problems could lead to the fall of the government or lead to a political crisis.

[Answer] Whether the government survives or not depends mainly on the stability of the four political parties that support the government. A secondary factor is the well-being of the people. If the government acts properly but the people begin to experience problems, there will have to be a cabinet reshuffle. Or if the government is attacked strongly, it may not be able to survive. Concerning this, I think that things

must be done gradually, or ways must be found to improve this. We have to realize that everyone makes mistakes at times. But if it is realized that a mistake has been made, things must be changed and corrected. If we accept this, things will gradually improve.

But at present, looking at the world map, it can be seen that Thailand is just a small country. Thailand can rely on itself, but that would be difficult. At present, the economies of all countries are experiencing problems. The United States has a huge balance of payments and balance of trade deficit. Thus, it will be difficult for us to improve things here. What can we do to improve things? We have to export more goods. That can happen only when the economies of other countries improve. When people elsewhere begin to buy more luxuries, we can export more goods. In the past we had to spend 60 billion baht a year to purchase oil. This has now declined to only 30 billion baht. Expenditures for this have declined 54 percent since Thailand has been lucky enough to discover natural gas.

[Question] How favorable is the country's present situation for investments?

[Answer] If investments are to increase, we have to improve things here. If things are all right here, we won't have to worry. Investment money will pour in. Take Hong Kong, for example. When the matter of England's treaty expiring became an issue, businessmen began moving their operations to Canada. But only a short time later, they returned. Hong Kong is a small island, but much money is invested there because the government administers things [properly]. They profit handsomely. Doctors and engineers have said that life in Hong Kong is comfortable and so they returned. Their corporate taxes are only 17 percent and their individual taxes are 15 percent. Taxes here are much higher since our "pockets are torn." If we lowered taxes somewhat, investments would increase. If taxes were low, more people would want to invest here.

[Question] But when people think of investing here, they look at our political and economic security.

[Answer] Yes, they do. But our government is stable. Investors look at many things. They do not pay too much attention to taxes. They look at how safe things are. Thus, we have to improve ourselves.

[Question] Many people say that while Gen Prem is an honest person, he is not a good administrator and that it would be better to have an intelligent person. Even if he is slightly corrupt, the country would make progress. They say that that would be better than having just an honest person.

[Answer] I think that the prime minister is an intelligent person. Otherwise, he would not have been able to keep his position for so long. He has held this position longer than anyone else, with the exception of Field Marshal Phibun. And his term has still not expired.

If people want to criticize him, they have to look at his record. He is the one who finally succeeded in establishing the Joint Government-Private Committee for Solving Economic Problems. This is a great credit to him. When he goes abroad, he takes people from the private sector. They are respected since they are traveling with the prime minister's entourage. I have discussed only those things that concern me; I have not discussed other matters.

[Question] Do you think that the present government will complete its term?

[Answer] Unless something happens, I do not see why it can't. The four parties have a majority of the votes. I am a senator, too. But the senate now has much less influence than before.

[Question] There are presently many problems. People in the government parties are calling for a cabinet reshuffle. And people on the outside are trying to exert pressure concerning the worsening economic situation.

[Answer] If I [were a politician] who was not in the cabinet, I would make demands, too. I would make demands constantly since I would like to become... (laughs). The highest goal in becoming an MP is to become a minister. That is my view in general. Those who hold such positions are in an enviable position. Whenever they take out a cigarette, there is always someone there to offer them a light. Others want to hold such positions. The same is true in other countries, too. In Japan, there is fighting in parliament. It is only natural that the opposition opposes things. Everything depends on the results. I do not think governing a country is easy.

11943

CSO: 4207/151

THAILAND

MP SEEKS DIRECT TRADE, LESS TENSION WITH SRV

Bangkok BAN MUANG in Thai 10 Mar 85 pp 1, 16

[Article: "Government Advised to Review Vietnamese Policy"]

[Text] Yesterday afternoon, Mr Kraison Tantiphong, the deputy leader of the Democrat Party, talked with reporters about the Indochina problem and the problems along the Thai border. He said that these problems are becoming major problems for Thailand. Thus, the government and the political parties should give as much attention to these problems as to the country's economic problems since these problems pose a danger to national security. Because Vietnamese troops have crossed into Thai territory, the Thai government should quickly take international political action by immediately protesting Vietnam's actions in the United Nations in order to expose Vietnam's evilness to the world.

Domestically, the government should order the governors of all provinces and ask the political parties to conduct public relations activities and ask the people to be on the alert about the border problems. This should be done in order to foster unity in opposing Vietnam's violation of our sovereignty. It is important to call on the people to donate money to defend the country. This will demonstrate the solidarity of the people in the country.

Mr Kraison Tantiphong also said that Thailand can [not] rely on other countries. In the past, the United States withdrew its forces from the Indochinese peninsula and left many problems for Thailand, including the refugee problem. Thus, the government should review its policies on the Indochinese countries. For example, it could open direct trade with Vietnam instead of creating conflicts. Because if the border war continues to drag on, this will be bad for Thailand and will have an adverse effect on investments in Thailand.

11943

CSO: 4207/152

THAILAND

PHICHAI ON ECONOMIC RELATIONS WITH JAPAN

Bangkok CHAT ATHIPATAI in Thai 10-16 Mar 85 pp 11-14

[Interview with Phichai Rattakun, the deputy prime minister and the leader of the Democrat Party; date and place not specified]

[Excerpt] [Question] Why has the government begun to take action to solve the balance of trade problem with Japan?

[Answer] It's like this. At an economic cabinet meeting, we discussed the fact that Thailand's trade deficit with various countries is too large. In 1983, our total trade deficit was approximately 90 billion baht. Looking at the figures 30 years ago, our trade deficit then was 300 million baht. The deficit has increased continually ever since. But I do not want to blame [people] for what was done in the past. However, since our trade deficit reached 90 billion baht in 1983, we cannot let things continue like this.

Approximately 50 percent, or 45 billion baht, of this 90 billion baht deficit was accounted for by our trade deficit with Japan. The other 45 billion baht deficit was with various other countries throughout the world. We had a trade surplus with some countries. But for the most part, we suffered a deficit. Thus, at the economic cabinet meeting, I said that we could not ignore this any longer. The government must implement a policy to solve this problem. This must be a long-term policy; it cannot be a short-term policy. To solve the balance of trade problem, the various countries should be divided into four groups: Japan, the United States, the European Economic Community (EEC) and China.

China is not yet a problem. But in another 10 years, China will pose a great danger to us on the trade front. Thus, we must discuss matters and formulate plans now to solve the problem. Those at the meeting agreed with me. They said that we must take resolute action. I want to repeat that I am not blaming past governments. Since those at the economic cabinet meeting agreed, I recommended that we take a careful look at things in order to formulate a policy for each country. If we try to do everything all at once for all countries, there won't be enough people.



I recommended that we begin with Japan since our trade deficit with Japan is 45 billion baht. Those at the meeting were in full agreement. Everyone agreed with my proposal. And because I was the one who had proposed this, I was chosen to serve as the chairman of the committee to study the problem. That had not been my intention. Rather, I did that because I was concerned.

[Question] What about trade?

[Answer] After I was appointed chairman, I established a subcommittee to improve the economic structure and trade between Thailand and Japan. This subcommittee is composed of government officials, members of the Economic Development Council and officials from the ministries of commerce, foreign affairs and industry. People from the private sector were asked to participate in the discussions. About 2 months after the meeting, we found a way to handle matters. In the past, we tried to solve the balance of trade problem with Japan using a single method. That is, we just tried to solve the immediate problems by asking Japan to purchase more agricultural products from us.

All during the course of trying to solve the balance of trade problem, we have focused on appeals and trade. For example, suppose that Japan ordered 100,000 tons of rice from us. We asked them to purchase 200,000 tons. But Japan has agricultural products, too. They have to be careful. Because if they import large quantities of agricultural products, they will not be able to sell their own agricultural goods. They, too, have political reasons for being careful about purchasing agricultural products. But at the same time, while they used to purchase corn from us, they have not done so for 12 years, claiming that our corn was moldy. And that was true.

Thus, they have stopped purchasing certain goods from us. The goods that they still purchase include frozen shrimp, frozen chicken and oysters, which are all minor items. We have asked them to purchase more agricultural products. They have noted the amounts but have never purchased the full amount. We do not feel that the problem can be solved by focusing on trade alone.

[Question] What about industry?

[Answer] Our trade structure with them must be improved. And to solve our balance of trade problem with them we cannot just ask them to purchase more agricultural goods. That has never achieved anything. Thus, we have told them that they must invest in industry here by using our raw materials. This includes investing in existing industries and in new industries. The industries that we are promoting use large quantities of domestic raw materials. If we succeed in this, this will help reduce the trade deficit by billions of baht.

An example is investment in the vehicle assembly industry. At present, new cars cannot be imported. But the vehicle plants have never produced any vehicles. Instead, parts (C.K.D.) are imported and assembled here. A tax exemption is given to these parts since this is an investment promotion industry.

But after the vehicles have been assembled, they are sold at the same price as a new vehicle imported from abroad. Suppose that the parts used to assemble a vehicle cost 300,000 baht. By assembling the vehicle here, the government loses approximately 4 billion baht a year in revenues because of the C.K.D. tax exemption. But suppose that there was no C.K.D. and that people were allowed to import new vehicles. We could collect the tax. However, we benefit from the C.K.D. system. That is, this provides jobs for 4,000 people. But to provide jobs for these 4,000 people, we lose 4 billion baht. This means that the government provides a 1 million baht subsidy for each of these people. To create 4,000 jobs, it costs us 4 billion baht in revenues. What this means is that each of these Thai workers is paid (suppose) 5,000 baht a month by the Japanese company, and the Thai government provides a subsidy of 1 million baht a year for each person.

This industrial investment policy is wrong. To solve this problem, we feel that [Japan] must invest in industry. Steps must be taken to make changes in existing and future Japanese industries here in order to have them use more Thai raw materials and to increase exports. By doing things this way, we won't have to suffer a trade deficit because of purchasing C.K.D. We will use domestic raw materials. And exporting these goods will bring in foreign currency. This will reduce the trade deficit by billions of baht.

The Japanese N.M.B. Company presently has two industrial plants, one in Ayuthaya and the other in Ban Pa-in, that are based on this target. These two plants employ 7,000 people. The N.M.B. Company produces small ball bearings used in computers and electronic typewriters. These Japanese plants have been promoted. All the goods that they produce are exported. None of the goods are sold in Thailand. We want such industries. However, the N.M.B. company still has to import steel from Japan since Thailand does not produce steel. But this does not matter since we can still make a profit on the goods that are produced here and exported.

Of the ball bearings that are produced here, 80 percent are sold to Japan and the United States. The other 20 percent are sold to various other countries. All the ball bearings that are produced are sold. This has created 7,000 jobs. We have to import steel. But when we sell the bearings, we bring in dollars. This is "balance of trade."

As for future industries, I have told Japanese [businessmen] in the private sector that they must help us. This is the first time that people in the private sector have met with us. I told them that we could not allow them to continue doing things this way and that they

must do something to change their present industrial practices in Thailand in order to promote exports. I told them that at present, we can't export goods since they claim that our goods do not meet their standards. But this is because they have not provided us with good technology. If they provide us good technology, we will be able to sell the goods to Japan.

The next such industry will be the tire industry. The N.M.B. Company will join with the Bridgestone Company. After that, we will begin producing bicycles. Approximately 70-80 percent of the materials used in production will come from Thailand. Two Japanese companies have contacted us about this. We will ask them to come discuss this. Two other companies have contacted us about producing small 4-wheel vehicles used by villagers to haul goods. There is also a shipyard project to produce 800-2,000-ton ships. We would have to import steel. But we have the skills. These are examples of the changes that must be made. But this will take time.

[Question] What about aid?

[Answer] As for free aid and low-interest loans, in the past they gave us \$50 million a year in aid and let us borrow \$250-\$300 million a year at 3.5 percent interest. They gave us this money, but there were many conditions. For example, this loan (which Minister Sommai has signed every year) amounted to approximately 6 billion baht a year. The interest rate was very low; it was even lower than the rate charged by the World Bank. But Japan stipulated that this money had to be used to construct basic public utilities (electricity, water, telephone). Anyone could submit bids on these projects. But they stipulated that the initial research had to be done by Japanese companies. Japan did everything possible to have its companies win the bids.

After the initial research was completed, other companies came and looked at things but said that they could not submit bids. Thus, they got this money back. This did not help us at all. We have told them that from now on, in using this \$250 million, Thais must be involved in the research, and the construction contractor must use Thai subcontractors. Take bridge construction, for example. Thais are skilled at constructing piers and so Thais should be used to do this work. I have negotiated with Japan about these things and reached an agreement with them. First, they will open trade markets. They will purchase more goods from us. As for the problem of moldy corn, they will send experts to help us solve this problem. They will also send people to monitor the fruit fly situation so that we can export fruit.

Mr Nakasone assured me of this. There is a memorandum on this. A joint communique was issued. They will purchase rice from us to help Africa since they already have much rice. However, this matter is not finished.

We must follow matters. The cabinet has issued a resolution asking me to take further action. Thus, my committee has made plans and formulated programs so that all ministries do things similarly.

1. Attention must be focused on increasing trade and expanding trade markets.
2. Industry must concentrate on producing goods for export using domestic raw materials.
3. In using the loan money, we have to participate in carrying out things.

[Question] Students oppose the [import] of Japanese goods.

[Answer] That's not true. Do not blame the students. Students do not oppose Japanese goods. They have launched a campaign to get people to use Thai goods. I applaud them for this. I support them in their effort to persuade Thais to use Thai goods. They may have opposed Japanese goods at first, but now they don't.

11943

CSO: 4207/153

THAILAND

SAIYUT ON ASEAN MILITARY STANCE, ATHIT EXTENSION

Bangkok SIAM RAT SAPDA WICHAN in Thai 10 Mar 85 pp 46, 47

[Interview with Gen Saiyut Koetphon, a senator; date and place not specified]

[Excerpts] [Question] What is the border situation like at present?

[Answer] What is depressing is that Vietnam wants to draw Thailand into a war. It wants to involve ASEAN. We have said that we are a frontline country. That means that Thailand is a defense line for others. But what is important is to protect ourselves. We do not have to protect others.

If ASEAN is not a military group, if those countries want to use Thailand to provide protection, we can't agree to that. We are not military allies. We must defend ourselves. We should tell them that Thailand is important to the survival of other countries.

If we do that, they will see the importance of Thailand. But Thailand is not a frontline country for the defense of other countries. I do not think that we should defend anyone else. We must defend ourselves.

We must avoid two things, that is, we must not serve as a frontline country for other countries or get involved in wars that do not concern us.

If there is actual fighting, that will support what they are saying. Based on the two points mentioned above, it must be understood that the border war is a political and military war. We have to unite at the national and local levels. What I am worried about is that we will not coordinate things or understand each other. We may want to coordinate things, but there must also be a system for coordinating things. Otherwise, that will be impossible. It doesn't mean that we can't get along. But if people have never met each other or discussed things with each other, how can they unite? This is something about which we should be careful.

When we understand that, high-level administrators are not trying to provoke a fight. We are not afraid to fight. We have an excellent military. Our military is experienced. We have more experience than the other ASEAN countries. The exception is Vietnam. We have much experience. We have fought domestic battles against the terrorists for 20-30 years. The army, navy, air force and civilian sector are used to coordinating things. I can assure you that other countries have to learn from us.

When you have military forces, there is no better way to gain experience than to engage in actual combat. But we do not want to fight. However, if that becomes necessary, we will do so. Thailand will fight if it has to.

[Question] Are the events along the border serious enough to warrant granting an extension to the RTA CINC?

[Answer] I have spoken about this matter several times. Since we have a definite military system, there is no need to grant an extension. I am not talking about individual people. I don't agree with granting an extension because in our system, we have replacements. There are deputies and chiefs of staff. In our military system, if the commander or unit leader is killed, that unit must be able to survive [without him] and continue to fight.

In times of war, if the commander dies, his deputy must take his place. He must tell the unit that the commander has been killed, that he is assuming command and that he expects them to obey his orders. This is part of military order. If a person fails to do that, he is guilty of a crime and will be punished. A unit cannot be allowed to waver.

There is a military system. Second, militaries throughout the world are now focusing more attention on reducing the age of the troops rather than focusing only on improving their weapons systems. An army that is composed only of old men cannot act quickly. This is one way to increase the efficiency of the military.

The laws were written this way for the sake of national security. This does not concern regular government officials. Security concerns the government. Security is a collective responsibility. The government will know who is needed.

With the exception of regular government officials during the time of Field Marshal Praphat (Charusathien) and Field Marshal Thanom (Kittikhachon), regular government officials have never been granted extensions. Praphat was supreme commander and Thanom was prime minister. They held political positions and so it was necessary to grant them extensions. But regular government officials have never been granted an extension. This is not a tradition.

[Question] But when Gen Prem [Tinsulanon] was granted an extension as RTA CINC, the law was revised.

[Answer] He was granted an extension because he was the prime minister. He did not hold just the position of RTA CINC. This concerns security. When a regular government official leaves his position, there will be someone to take his place. There will not be any problems. There are no examples of such extensions. From what I have seen, there is no need to grant an extension. But I am not talking about individuals.

[Question] What do you think about the officers recommending this extension?

[Answer] This is not a good example for any military. As a subordinate, I might have signed my name. I do not want to say anything that might hurt people needlessly. It is not the duty of subordinates to recommend that their superiors be granted an extension. This is a bad tradition. This should not have started in the military. Next, this will happen in the ministries and departments.

[Question] Will you run for election in 1987?

[Answer] I have not made any preparations. I have not thought about that. I have not gotten involved in such political matters since I am just trying to carry out my present duties as well as I can.

Like others, I am concerned about the country. Others are just as concerned. But I have more knowledge and so I may worry more at times. That is natural. I am not sitting by idly. I am doing as much as I can to help the country.

[Question] As a senator, aren't you a member of the Military Subcommittee?

[Answer] No. And I am not eager to be.

[Question] What is your view on politics? What role should knowledgeable and capable people play?

[Answer] They should play a role. As for my getting involved in politics today, since I am a senator, by law I cannot join a political party. But in fact, I can play a part. That is, I can make my political views known.

I think that there are two reasons why people want to participate in politics: 1. they want to be part of the government or 2. they want to topple the present government. But it is not possible for me to join the government. Actually, since I am a soldier, my political views are different from those of others. In particular, I feel that people must cooperate. We cannot do things alone. I am not just saying this. I am speaking from personal experience.

I served as a soldier. I was just as resolute as these people since I had responsibilities. I was responsible for establishing organizations to fight the communists. There were few people who helped me. I had to take responsibility for everything.

I thought that the thing that could defeat the communists was democracy. Building democracy meant building a political organization. I thought about this a lot. But I didn't see any way to do this. I gave my views, but others could handle things as they saw fit. Although I had duties. I never used national funds. I didn't think that would be fair. It would not have been fair to use national budget funds to support some person. That could not be kept secret. One day, people would find out and when they did, that would pose a danger to that person. I held to this principle. But later on, things became very confusing, and I don't know what happened.

A second point is that when the military interferes in politics, politics interferes with the military. When politics interferes with a military organization, that organization is in trouble. We say that politics should not interfere with the military. But if the military interferes in politics, politics will definitely interfere with the military.

Some soldiers are not good soldiers because politics has interfered. If we love the military, we should do our duty. As long as the military exists, the country will not have problems. We know that if the military collapses, there will be problems. Thus, we must build up the military for the sake of the people and country. This amounts to building a base of security for the country.

I have always asserted this view. But at present, people hold views that are just the opposite. These are influential people. If I joined the government, I would have to give in to these people and cooperate with them.

[Question] Why do you think that you would have to give in if you joined the government?

[Answer] The government has to compromise with these people.

[Question] Should things be that way?

[Answer] I don't know. That is a political matter. If something else can be done, that has to be done. You do what you can.

[Question] At present, the same person is serving as both prime minister and minister of defense.

[Answer] The positions of minister of defense and supreme commander are held by different people. The minister of defense has the responsibility.



[Question] The prime minister may have a lot of work.

[Answer] I don't know. The people want the minister of defense to use his powers as stipulated in order to give confidence to the people. The minister of defense is the representative of the people in supervising the military. If he can't control things, the people will be concerned.

[Question] Is it necessary for the minister of defense to have served as the RTA CINC?

[Answer] What is important is whether he can control the military. And if he has the support of the people, he should be able to do this. In a democratic system, power comes from the people. It doesn't come from somewhere else. If the people support having the prime minister serve as minister of defense and we back him up, the prime minister must serve in this capacity. But the people still feel that a soldier must hold this position. This depends on the people. They may have reasons. It depends on what the people want.

That is how it should be in a democracy. But it is said that we don't have a perfect democracy. Things must be done based on the situation in the country. We have to think about this.

11943

CSO: 4207/152

MILITARY AFFAIRS AND PUBLIC SECURITY

AIR FORCE'S FIRST COMBAT VICTORY MARKED

OW020835 Hanoi VNA in English 0719 GMT 2 Apr 85

[Text] Hanoi VNA April 2 -- Two groups of Vietnam People's Air Force fighters on April 3 and 4, 1965 shot down two F-8 Crusader and two F-105 Thunderchief jet fighters of the U.S. Navy and Air Force over Ham Rong Bridge area in Thanh Hoa Province, south of Hanoi, scoring the first air combat victory for Vietnam.

In the fight against the U.S. two aero-naval wars of destruction, the Vietnam Air Force engaged in almost 400 fights by day and by night, shooting down 320 war planes of 19 different types including RB-66 electronic reconnaissance planes and B-52 bombers. Ninety U.S. pilots including two colonels and a commander were captured.

In the "Dien Bien Phu Air War Victory" in defense of Hanoi and the neighbouring areas in December 1972, the Vietnam Air Force shot down seven U.S. planes, two B-52 bombers, four F-4 jet fighters and an RA-5C reconnaissance plane.

In the 1975 historic Ho Chi Minh campaign, the "determined to win" team, using an A-37 plane of the enemy after six days of study and practice, attacked the Tan Son Nhut Airport, destroying 26 enemy planes.

On July 23, 1980 air force hero Pham Tuan who had shot down a U.S. B-52 in a dogfight, becoming the first Vietnamese and Asian cosmonaut. [sentence as received]

Vietnamese Air Force pilots have since the return of peace conducted many flights in the service of economic construction, spraying insecticide, sowing seeds, combatting flood and drought, taking aerial photos, surveying areas with oil-bearing deposits, etc...

Twenty-seven cadres and pilots of the Vietnam Air Force have been awarded the title "Hero of the Vietnamese Armed Forces."

CSO: 4200/731

INTERNATIONAL RELATIONS, TRADE AND AID

BRIEFS

PROVINCE RECEIVES SOVIET GIFT--Hanoi VNA April 1 -- The people's committee of the central coastal province of Binh Tri Thien has held a ceremony to receive tokens of 150 tons of schooling facilities, children's clothes and medicines sent as a gift from the fraternal Belorussian people of the Soviet Union. Present at the ceremony were Vu Tang, member of the Communist Party of Vietnam and Central Committee and secretary of the province's party committee; Soviet Ambassador B. N. Chaplin and others. [Text] [Hanoi VNA in English 1546 GMT 85 OW]

PEACE EFFORTS OF INDOCHINA--Hanoi VNA April 2 -- The Mongolian People's Republic constantly supports the efforts of Vietnam, Laos and Kampuchea for turning Southeast Asia into a region of peace, stability and cooperation, said the Mongolian daily UNEN in a commentary on March 28 on the Mongolian foreign minister's recent visits to the Indochinese countries. The paper condemned the imperialist and expansionist forces intervention in the internal affairs of Southeast Asia and violation of the independence, sovereignty and territorial integrity of the Indochinese countries, saying that these have created an obstacle to the establishment of peace and stability in this region. UNEN stressed that Mongolia highly valued the three Indochinese countries' positive foreign policy and persistently supported their peace initiatives for normalizing the situation in Southeast Asia. The paper particularly praised the Kampuchean people's political, economic, cultural and military achievements and affirmed that the wiping out of the Pol Pot remnants in Kampuchea was importantly significant not only to the independence of the People's Republic of Kampuchea but also to the preservation of the three Indochinese countries' peace, security and development. [Text] [Hanoi VNA in English 0714 GMT 2 Apr 85]

LIBERATION ANNIVERSARY IN BERLIN--Hanoi VNA April 2 -- A piano performance by Vietnamese pianist Ton Nu Nguyet Minh was recently held in Berlin by the Vietnamese Embassy as opener of the program of activities in the German Democratic Republic in Honour of the 10th Anniversary of South Vietnam Liberation (April 30). Present on the occasion were Dr Herbert Krolikowski, secretary of state and first deputy minister for foreign affairs, and many other high-ranking GDR officials, and Vietnamese Ambassador to the GDR Tran Hoai Nam. Miss Ton Nu Nguyet Minh interpreted

well-known compositions by a number of talented German musicians and by composers from the Soviet union, Poland, Cuba, Vietnam and other countries. [Text] [Hanoi VNA in English 1733 GMT 2 Apr 85 OW]

CONGRATULATIONS TO CEAUSESCU--Hanoi VNA April 2 -- President of the State Council Truong Chinh has extended his warmest congratulations to Nicolae Ceausescu on his re-election as president of the Socialist Republic of Romania. In his congratulatory message, the Vietnamese president wishes the fraternal friendship and cooperation between Vietnam and Romania further consolidation and development in the interests of the two peoples and of socialism and peace in the world. [Text] [Hanoi VNA in English 1707 GMT 2 Apr 85]

CSO: 4200/731

PARTY ACTIVITIES AND GOVERNMENT

ACHIEVEMENTS OF JUDICIARY REVIEWED, NEW TASKS INDICATED

Hanoi NHAN DAN in Vietnamese 4 Feb 85 p 3

[Text] The judicial sector recently held a conference in Ho Chi Minh City to review its tasks in 1984 and to discuss the plan, measures and tasks to be implemented in 1985.

Last year, the judicial sector made manifold progress in drafting law, carrying out educational propaganda about law, administering local courts of justice, training and improving judicial cadres and building a judicial organizational system.

In conjunction with the sectors concerned, the judicial sector formulated law by concentrating on two principal aspects: socioeconomic, national defense and security [on the one hand] and effective promotion of the central missions of the party and state [on the other]. The fact that the code of criminal law was initially passed by the National Assembly and that arrangements were made to collect the cadres' and people's opinion was highly significant in strengthening the socialist legal system, consolidating law and social order, opposing negativism and preventing and fighting crimes. The judicial sector also participated in drafting regulations on land and labor obligation, protection of mineral resources, military courts and the military control institute. After drafting the laws on marriage, family and youths, the judicial sector is conducting research in order to formulate some other codes of law.

To date, 7 provinces and 37 districts have set up councils to coordinate propaganda and education about law. Good results have been obtained by leading districts, precincts and towns to elect their own tribunals over the past year; the number of judges has increased and their qualifications improved. Great efforts have been exerted to guide the execution of sentences and this guidance has become more systematic and produced specific effects. The training and improvement of cadres have been considered a key task and carried out according to the "joint action by the central and local levels" motto while innovations have been introduced in long-term training and short-term advanced training courses.

Pham Hung, member of the party Central Committee, vice chairman of the Council of Ministers and concurrently minister of interior, has sent a letter to the conference praising the endeavor exerted and good results obtained by the

judicial sector in 1984. Pham Hung stressed: In 1985, the judicial sector must effectively promote the performance of two strategic missions, contribute to a vigorous change in achieving four socioeconomic targets, constantly display high vigilance against the enemy, keep abreast of socioeconomic and national defense tasks, direct activities toward the grassroots level and use propaganda and education about law as a lever to promote other tasks. It is necessary to associate the judicial task with the development and adequate management of local courts of justice, to build and consolidate a judicial organizational system to make it stable and powerful, to pay attention to the formation and improvement of cadres and to consider this task crucial in improving the quality and increasing the effectiveness of immediate tasks and in preparing a body of cadres for long-term ones. The judicial sector must grow into a wholesome, stable and strong one. Since judicial cadres are persons who supervise, direct and give orders, they must be extremely righteous and impartial.

9332

CSO: 4209/254

## PARTY ACTIVITIES AND GOVERNMENT

### BETTER PRESERVATION OF NATIONAL ARCHIVES URGED

Hanoi NHAN DAN in Vietnamese 4 Feb 85 p 3

[Text] On 11 December 1982, the chairman of the Council of State signed Decree No 08/HDNN to promulgate the Regulations on "Protection of National Archives." These are the first regulations ever enacted to manage the collection and preservation of archives in a centralized and uniform manner according to state law in order to ensure absolute safety for this invaluable national heritage and use it most effectively.

The Vietnamese people have a millenarian civilization and have continuously displayed heroism in building and defending their country. Our national history is written by a series of heroic events relating to the struggle against aggression by feudalists, by the northern reactionary forces and by the mightiest Western imperialists. The ultimate result of several thousand years full of vicissitudes has been the bitter defeat of all types of enemy. Independence and freedom have come to our nation as a historic necessity. Under the sound leadership of the Vietnam Communist Party, our people who have inherited the traditions handed down by previous generations are resolved to use all their intellect and skills and even to shed their blood to realize the ironclad motto coined by the great President Ho Chi Minh: "Nothing is more precious than independence and freedom."

The accurate data contained in the national archives positively contribute to the glorious pages of our history; they have a strong and profound persuasive and educational power and can strengthen the confidence and pride of the present and future generations; they also warn all kinds of enemy against making up stories and false accusations and distorting the historic truth about the Vietnamese nation; at the same time, they contribute to raising the people's cultural standard and will prove useful to realistic scientific and historic researchers.

In execution of these regulations over the past 2 years, many ministries, sectors and mass organizations at the central level, many provincial and municipal people's committees--especially those in the southern provinces and Ho Chi Minh City--and a number of ministerial agencies and district and precinct people's committees have positively changed their method of guiding, organizing and managing the collection and preservation of archives, gradually

intensified this task and obtained concrete results. The habit of recklessly destroying and selling documents as waste paper has been restricted and almost eliminated in certain areas. The filed archives have been tightly managed and, at the same time, used widely to promptly meet requirements of practical and scientific research.

Owing to the attention paid by party committees at various echelons and by the administration, even in areas such as Nghia Binh, Ha Son Binh, Quang Nam-Da Nang and some localities in Hanoi, most seriously stricken by the November 1984 abnormal flood archives were generally saved from immersion, wetness and serious deterioration.

During the implementation of the regulations over the past 2 years, various documentary tasks related to archival preservation have been carried out systematically to ensure order and secrecy and prevent mistakes and losses.

The State Archives Department and archives bureaus and cadres have helped heads of various agencies and people's committees at different echelons to apply the archival science even better in accordance with provisions stated in the regulations.

The implementation of the regulations on "Protection of National Archives" over the past 2 years has been crowned with great success but is still burdened with problems requiring solution in view of the immediate and long-term requirements.

First and foremost, the archives sector and the State Archives Department must actively and urgently assist the Council of Ministers in promulgating regulations on the systems of managing official documents and papers, compiling records and submitting files for archival purposes and on specific systems of centralized and uniform management, use and publication of national archives in order to completely eliminate the practice of dispersing documents or managing them at one's convenience in violation of state regulations or using and publishing them carelessly contrary to principles.

Archives bureaus in various organs and those subordinate to provincial and municipal people's committees and all archives cadres must make greater efforts to help heads of agencies manage and preserve archives.

The Vietnam socialist state manages the society through the constitution. Each state management sector manages itself according to law. The archives sector which has exercised management according to law for only 2 years has made some progress but is still affected by numerous shortcomings. Therefore, it must exchange professional experiences and further study and apply science and technique to implement the regulations on "Protection of National Archives" more strictly and thoroughly in the coming years.

9332

CSO: 4209/254



PARTY ACTIVITIES AND GOVERNMENT

PHAM VAN DONG SPEECH ON DOCTORS' DAY--PART I

BK010714 Hanoi Domestic Service in Vietnamese 1300 GMT 28 Mar 85

["Parts 2 and 3" of Speech by SRV Council of Ministers Chairman Pham Van Dong at 27 March Hanoi meeting marking Vietnamese Physicians Day--read by announcer]

[Text] Over the past 40 years, and especially during the 30 years since the 30 years since the liberation of the north, the public health sector and the contingent of public health cadres in our country have scored numerous achievements in the fields of epidemiological hygiene, protection against social diseases, first aid, inheriting and developing traditional medicine, developing medicinal materials, and pharmaceutical production; have carried out family planning, and contributed to reducing morbidity and mortality rates and increasing the people's life span.

A prominent achievement in ensuring the exercise of socialist public health lines is that there has been a unified system of public health organizations in the country with a growing contingent of well-trained cadres. It is highly commendable that since the time Comrade Pham Ngoc Thach took over the Ministry of Public Health, all the comrades have resorted to many forms and measures to persistently develop the popular public health system, especially district, precinct, village, and ward public health networks. They have regarded preventive medicine as a guiding torch, combined modern medicine with traditional medicine, incorporated scientific-technical work with the mass movement, and introduced public health services down to the grass-roots level.

The movement to complete neatly five public health jobs has been regarded as a creative policy which consists of completing neatly the building of sanitary projects and carrying out satisfactorily the giving of vaccinations against epidemics; completing neatly birth control planning in order to attain a rational population growth rate for each particular region; completing neatly the program for planting and using traditional medicinal herbs in accordance to the quota allocated to each particular area; completing neatly the program for the maintenance of the people's health; and completing neatly the program for strengthening and perfecting grass-roots, district, and precinct public health organizations. This movement

has received attentive leadership from various party committee and administrative echelons, has enjoyed the support of the people, and thereby has scored many praiseworthy results in both rural and urban areas.

Thousands of villages and wards and hundreds of districts and precincts have attained from one to five targets for job completion while 12 districts and precincts in the north and the south have been recognized as having attained the five targets for job completion.

Alongside this widespread development, the full-time public health system has given ever-better services to the people in the prevention and treatment of diseases while continuing to surge forward to achieve scientific-technical progress.

Throughout the resistance against foreign aggression, the army and civilian medical sectors knew how to arrange medical support lines flexibly to suit the development of people's war at each given moment and in each given area. They were noted for their courage and intelligence in handling effectively their first aid operations during combat and their medical treatment work in the rear. They gave good care to wounded and sick soldiers and basically eliminated the scars of war in a relatively short period of time.

We can feel proud of what we have achieved but we should not feel complacent because in the current struggle for national construction and defense, there remain many great problems to be resolved in connection with the people's health.

From what has been presented above regarding the functions of the medical and public health sectors, it is necessary to develop those achievements already gained, perfect public health organizations, and surge forward to carry out satisfactorily those public health tasks which are important and pressing.

In the years ahead, by taking overall economic, cultural, and social measures, we must improve the laboring people's health more evidently, basically do away with infectious and parasitic diseases, social diseases, and nutritional diseases which are the trade mark of less-economically developed countries. Simultaneously, we must promptly prevent and combat those diseases originated from economically developed countries which crop up in our country such as cardiovascular disease, cancer, allergies, and occupational and traffic accidents.

In order to satisfactorily fulfill these tasks, we must step up the movement to complete neatly the five tasks throughout the country. To achieve this aim, the state and people must work together and the central, local, and grass-roots levels must work together. Especially, the people and the grass-roots and local levels must work together toward initiating a wide-spread, seething, and uninterrupted mass movement. In the period to come, this movement will have to reflect new concepts suitable to each particular

locality, and give more attention to the social and natural environment, namely nutrition and potable water; those aspects concerning work, study, and rest, and a healthy way of life; fight the outdated practice of superstition and those practices which are regarded as harmful, and generate a mass athletic and sports movement under which everyone is required to do physical exercise so as to build up and maintain his own health.

It should be clearly noted that the five requirements for neatly completing work assignments which are being discussed here mean to basically complete a number of very important, practical, and urgent tasks and on this basis, move forward to achieve constant growth and perfection.

In addition to serving production and life, public health activities must best serve combat activities. Promptly reducing the population growth rate is a very fundamental and pressing problem of highly socioeconomic significance which is directly related to the protection of the people's health and which has great impact on the whole process of national development. By taking effective and uniform economic and administrative measures ranging from the creation of material conditions and means to the motivation of the people both in the urban and rural areas, we must strive to reduce our annual population growth rate to approximately 1.6 percent by 1990 and then continue to reduce it further until it reaches a rational proportion.

Now that we have had numerous outstanding symbols in public health capable of maintaining the people's health, successfully carrying out family planning, preventing epidemics, basically getting rid of a number of social diseases, promptly detecting and treating diseases with the use of local physicians and medicine, and caring for the people's health, ranging from the protection of embryos to care for the aged, we must review experiences learned by various outstanding symbols in work requirements, organizational structure, the contingent of cadres, and working methods in order to expand and improve the quality of the "five neat completions" movement at the grass-roots, district, and precinct levels. Party committee and administrative echelons must provide better leadership to this movement, linking this with the provision of leadership for socioeconomic activities in the localities concerned.

We must attach particular importance to the consolidation of district, precinct, and grass-roots level public health networks, including the public health elements of villages, wards, enterprises, worksites, state farms, state forests, cooperatives, and schools. We must have cadres in charge of caring for the people's health down to villages, hamlets, workshops, and production units.

The full-time public health system must improve its work performance and must work more vigorously toward studying and resolving pressing health problems at the grass-roots level such as eradicating epidemics and infectious diseases, especially malaria, tuberculosis, digestive diseases,

and children's diseases. It must specify measures to prevent and combat epidemics and steps relating to medical examination and treatment as well as to the use and non-use of medicine.

The public health sector must take positive, urgent, and effective steps to create more sources of medicine and increase the material-technical bases of public health by increasing production efforts in the country and striving to boost exports so it can afford the import of those materials which it cannot produce.

Concerning pharmaceuticals, we must be deeply aware of our main orientation -- that is, to produce medicines from plants and animals by rationally exploiting and developing the raising and cultivation of pharmaceutical products. This is a strong position of our country and the trend of today's world medicine which is reverting to the use of pharmaceuticals taken from plants and animals to produce effective medicines for curing diseases and reduce the harmful consequences of chemically derived medicines. In recent years in our country, efforts to promote traditional medicine and the use of oriental medicines and to produce medicines from locally available pharmaceutical supplies have clearly pointed to the value of medicines produced from plants and animals.

We must create an ever-increasing source of plant- and animal-based raw material and make use of both modern and traditional methods, including our forefathers' wonderful experiences in processing medicines that are of much higher value than in their unprocessed state.

Concerning material-technical bases for public health, we are faced with a severe shortage. The numbers of hospitals and hospital beds are too inadequate to meet the people's needs. This is a major obstacle to our efforts to care for the sick. We must strive by every means to resolve this situation. The development of medicine around the world has introduced very sophisticated and very expensive material-technical bases for medical examination and treatment. We must conduct a study for the purpose of defining the orientations for resolving the issue of material-technical bases for public health in the most rational manner to meet the country's needs and capabilities.

With the tradition of producing by ourselves a lot of commonly used public equipment during the anti-French and anti-U.S. wars of resistance, we must develop creative work methods to produce in ever-greater quantities medical equipment from the central to local level, using suitable procedures for decentralization and division of labor. We must join the forces of all sectors and mobilize the people to build more hospitals, dispensaries, and maternity homes; and produce the equipment and supplies needed by public health facilities, first of all those providing medical examination and treatment, childbirth, and family planning services.

Efforts must be made to combine modern medicine with the nation's traditional medicine and to step up the training and improvement of cadres. In order to ensure, protect, and improve the people's health and to fulfill the pressing and important health-related tasks as presented in the previous two parts, it is necessary to step up scientific research and the training and improvement of cadres. Scientific research must be conducted on a larger scale and involve the participation of many sectors, institutes, organs, and scientific cadres concerned to study in a systematic manner the social environment, the natural environment, and the human body in Vietnam.

As regards this line of research, under the party's correct leadership, we have from very early on adopted the policy of inheriting and developing the nation's traditional medicine and combining modern medicine with traditional medicine. We have inherited and promoted successfully many valuable experiences in disease prevention and treatment and in the processing of medicines as found in traditional medicine; have collected many valuable books and documents compiled by many of our country's renowned physicians; and, especially, have developed a network of traditional medicine within the public health sector from the central to grass-roots level. We have also encouraged a large number of physicians and modern medical workers to participate in disease prevention and treatment and in the production of medicines. However, we must admit that persistent efforts are needed to steadily achieve better results in using scientific processes to verify, correct, and improve traditional medicine and pharmacology and in closely combining the two systems of medicine to build our country's socialist medicine.

In the next few years, along with urgently inheriting the legacy of traditional medicine and pharmacology, and continuing the application of prophylaxis, diagnosis and therapeutics of traditional medicine with or without medication -- such as hygiene, acupuncture, moxibustion [as heard], and chiropractic -- we must conduct research to combine contemporary medicine with traditional medicine. We must use correctly and in a timely manner the capabilities and specific strengths of each type of medicine at the right place in order to enhance the effectiveness of our public health efforts.

In this regard, we must mobilize those people who are well versed in contemporary and traditional medicines, build the spirit of socialist solidarity and cooperation, and create conditions for research and combination of contemporary and traditional medicine. We should realize clearly that this is a long-term project that requires perseverance and patience to make steady progress.

With a view to perfecting the organizational system, implementing well the medical and public health functions, and fulfilling the urgent and important tasks of public health, we must intensify the basic and advanced

training of cadres. In this regard, the public health sector has made very inadequate efforts for several years now.

The former tendency of training health cadres was to train professional therapists rather than giving cadres enough knowledge and experience in caring for the people's health while simultaneously making these cadres good physicians. In building training objectives and programs, as well as in establishing the scope of advanced cadre training, we must follow the above-mentioned correct guideline.

With such new knowledge of public health functions, we must strive to conduct the basic and advanced training of public health cadres and by all means build the contingent of combatants to build, protect and improve the people's health. These combatants must possess revolutionary ideals and professional consciences, and be given necessary knowledge of politics, economy, social activities, technology, public health, and the tasks of organization, management, and mass motivation. They must reach a certain level of practical skills. In this force of doctors, physicians, pharmacists, nurses, pharmacy assistants, and medics, although each person assumes a function different from the other, they all hold important and noble positions. They should cordially cooperate with one another to create harmony in each unit in order to fulfill their duty together.

The cadres we painstakingly train and forge must possess both quality and talent. Quality and talent are one when it comes to public health cadres -- cadres of medicine as well as of pharmacology. They must have the heart of kind mothers to be good public health cadres and personnel. There are hardly any professions that require as high a quality and talent as the public health profession does. This is a special profession that requires broad and profound knowledge, kindness, and experience; a profession in which all duties -- no matter how small -- are related to human life and family happiness.

CSO: 4209/313

PARTY ACTIVITIES AND GOVERNMENT

HOANG TUNG, MINH LUAN REVIEW POST-WORLD WAR II

OW020209 Hanoi VNA in English 0817 GMT 1 Apr 85

["VNA supplement

"--the epochal significance of the victory over Nazi fascism and Japanese militarism, by Hoang Tung, secretary of the Communist Party of Vietnam Central Committee

"--Southeast Asia: 40 years after the victory over Hitler fascism and Japanese militarism, by Minh Luan, deputy-head of the Vietnam Social Sciences Commission's Department for Southeast Asian Affairs.

"--main events in March 1985."--VNA headline]

[Excerpt] [no dateline as received] The epochal significance of the victory over Nazi fascism and Japanese militarism," [quotation mark as received] Hoang Tung, secretary of the Communist Party of Vietnam Central Committee.

This year, the Soviet Union, the other socialist countries and the progressive mankind as a whole solemnly celebrate the 40th anniversary of the victory over Nazi fascism and Japanese militarism.

Forty years have elapsed, and today, looking back at the tremendous impact of that victory on the whole mankind, we see all the more deeply and clearly the historical magnitude and the global and epochal significance of this great victory of the world revolutionary forces since the October Revolution.

The Second World War, launched by fascism and militarism, was the combined global strategies of imperialism in an attempt to destroy socialism and the other revolutionary forces and to re-establish its rule on the world by the most brutal methods of domination and repression. It was the bloodiest and most destructive war in human history, involving 61 countries and 80 percent of the world population, and costing mankind 50 million lives. This historic global confrontation, however, ended up with results completely contrary to the calculations of fascism and imperialism in general as well as the other reactionary forces, including the opportunities: the Soviet Union totally crushed fascism and militarism. This was a wonderful victory of socialism, changing the world situation and directly determining the trend of development of mankind's history. It opened up the way for the formation of the socialist system, which has been continuously expanded over the past 40 years, and which has become

ever more powerful and assumed an ever greater role of the decisive factor for the development of the human society as a whole. It also helped hundreds of former colonies or dependencies of imperialism to regain independence and freedom, and thus to become another important factor for the world's development. The victory broke off the largest chunks in the imperialist system and seriously weakened it, capitalism was driven into an insurmountable overall and profound general crisis. The victory changed the world balance of forces in favour of socialism and the forces of national independence, democracy and peace, and created favourable conditions for the ceaseless development and maturity of the revolutionary forces.

The defeat of Nazi fascism and Japanese militarism served to demonstrate that the ideologies of socialism had become an invincible material and moral force. The victory of socialism faced the imperialist and reactionary forces with a ghastly fear of disintegration. They have resorted to all kinds of misinformation and distortion in an attempt to play down the historic magnitude and global significance of the anti-fascist war, and downgrade the role of the Soviet Union as the decisive combat force in this victory.

In this war, the Soviet people had to carry on their shoulders the historic mission of defending themselves and the whole mankind. The Soviet Union did all it could to rally all anti-fascist forces and to unite all persons it could into a front to counter and abolish the great danger to the nations. Yet, today the mouth pieces of imperialism and its lackeys and Beijing's propaganda machine are trying to distort this evident great truth: the Soviet Union was the decisive combat force in the fight against fascism and militarism in both Europe and Asia.

Revolutionary Mongolia had made direct contributions to the defeat of Japanese militarism. The peoples in European and Asian countries under the leadership of their Communist parties fought very valiantly against imperialism and militarism, making great contributions to the common victory and directly prepared for the birth of many socialist countries. The peoples and communists in Poland, Yugoslavia, Bulgaria, Germany, Hungary, Albania, Czechoslovakia and Rumania and other European countries such as France, Italy, Greece, Spain Portugal...fought with great valour against fascism and accepted very great sacrifices. They have together with the Soviet people, written the great epic of the 20th century. Sons and daughters of many nations joined the fight on the Soviet soil. In Asia, the Chinese people fought persistently for 15 years against the aggression by Japanese militarism. Most Asian nations took part in the fight against Japanese fascism from 1941-45. We have now sufficient evidence to explode all attempts to distort history, and downgrade the role of the Soviet Union in shattering fascism and militarism. The Soviet Union had to bear the brunt of the anti-fascist and militarist war. The greatest battle in the history of mankind was fought on the Soviet-German front, the central battlefield of World War II which fluctuated between 3,000 and 6,000 km in width. Of the 13.6 million fascist troops killed and wounded in the whole war, 10 million were at the front.



Soviet-German front; the bulk of fascist planes, tanks and artillery was destroyed at this front, too. In Asia, the Soviet army shattered in ten days the crack force, the backbone of the Japanese army consisting of more than 1 million troops, forcing Japan to surrender unconditionally. Nowadays, people have the right to ask what would have become of this planet had it not been for the great sacrifices of the Soviet Union. President Ho Chi Minh once said: "In the Second World War, the Soviet Union destroyed the huge military forces of the fascist aggressors which has been well prepared with the assistance of all imperialist powers. [sentence as received] The Soviet Union has saved the world from enslavement by the barbarous Nazi fascists and dealt a decisive blow at the main force of the Japanese militarists. All nations, especially those in the east, are indebted to the Soviet Union."

We now have enough evidence to demolish all the allegations aimed at distorting history and downgrading the Soviet Union's role in defeating Nazi fascism and Japanese militarism, and to expose the imperialists' double-faced policy and cowardly capitulation right from the moment they made the dirty trade-off at Munich, their middle-of-the-course policy to preserve their force even after they had joined the anti-fascist alliance, and their delay in opening the second front to wait out for the mutual destruction of the two main opponents in the conflict -- socialism and fascism -- in order to reap the lion's share, and finally their race in the last months of the war to re-distribute the world and distribute the trophies at the close of the war.

Many a good lesson can be drawn from the victory over Nazi fascism and Japanese militarism. But the imperialists are obviously refusing to learn from the lessons of the past. They are pinning much hope on their economic, military and scientific and technological potentials, and frenziedly pushing up the arms race in the hope of regaining their lost military superiority. At present, the warmongering, expansionist and hegemonist forces headed by U.S. imperialism are frantically launching a crusade against the Soviet Union, the socialist community, the communist movement, the national independence movement, and the non-aligned and peace and freedom-loving countries, thus rendering the world situation extremely strained. In pursuance of those dark schemes, they are seeking every way and means to divide our ranks from every direction and in every respect, courting and drawing one country while isolating and concentrating their fire on another. They are spearheading their attack on the Soviet Union, the three Indochinese countries, Cuba, Nicaragua and all the revolutionary movements now seething in all continents. They are putting out one slanderous and demagogic allegation after another with a view to making people believe that both the United States and the Soviet Union, and both the NATO and the Warsaw Treaty countries are to blame for the present tense situation, that both "superpowers" -- the Soviet Union and the United States -- are pursuing hegemonistic aims. These allegations are very reactionary and dangerous in that they are aimed at dividing the socialist community, isolating the Soviet Union and weakening our fraternal countries' coordinated

countermeasures against the acts of war preparation of the United States and the other NATO countries, especially the deployment of U.S. nuclear missiles in Western Europe and the militarization of the outer space, and diverting the goal of the anti-war movement in Western Europe and other places. It is noteworthy that the propaganda machine and foreign service agencies of China are actively playing to these tunes.

The Soviet-U.S. talks on disarmament, reduction of nuclear weapons and non-militarization of the outer space are taking place in Geneva. On this occasion, at the Extraordinary Plenum of the Communist Party of the Soviet Union Central Committee on March 11, 1985, General Secretary M. I. Gorbachev defined the relations with the capitalist countries in the following terms: "We will resolutely adhere to the Leninist peace policy, we will always respond to good will by good will, trust by trust, but it must be borne in mind that never shall we allow the interests of our motherland and our allies to be violated.

"We value the results of the easing of tension obtained in the 1970s and are ready to take part in the continued process aimed at re-establishing mutually beneficial peaceful cooperation on the basis of equality, mutual respect and non-interference in each other's internal affairs."

We welcome and fully support that well-meaning but resolute stance of the Soviet Union.

In our political and ideological work, we need to widely popularize the peace initiatives and the well-meaning and resolute stance of the Soviet Union and the other fraternal socialist countries, and strongly affirm the role of the Soviet Union as the pillar of the revolutionary forces for peace and against the danger of a nuclear holocaust. On the other hand, we have to lay bare the warlike policy aimed at realizing the old scheme of the fascists by means of a crusade against all the revolutionary forces of the present era, and vigorously denounce Beijing's collusion with the imperialist forces in an attempt to provoke conflicts everywhere, sustain and increase tension, and distort the peace-loving policy of the Soviet Union and the other socialist countries. We also have to closely follow the multifaceted cooperation between the United States and China and the formation of the strategic alliance which some U.S. military circles call the Washington-Tokyo-Beijing "iron triangle" or the eastern NATO.

During the anti-fascist war, our people were quick to join the world anti-fascist democratic front. Thanks to the correct and clear-sighted line of our party, a broad democratic movement, a new revolutionary tide enabled our people to coordinate action with the world democratic forces in the fight against fascism. We associated the international task of fighting against fascism with the fight to defend the interests of the working class and people at home, i.e. democratic liberties, better life and peace against the colonial reactionaries and their henchmen.

In the light of the resolution of the 7th Congress of the Comintern, our party adroitly applied appropriate forms of organization and fighting methods to the concrete situation in Vietnam.

When World War II broke out, our party correctly analyzed the situation, determined the enemy and defined the immediate political tasks, and shifted the orientation in strategic leadership by making national independence the foremost task of the Vietnamese revolution. The party set up the Vietminh (short for Vietnam Independence League), built base areas, intensified the political struggle and developed the armed forces.

Under the leadership of President Ho Chi Minh, our party closely followed each development in the fight of the Soviet people and the peoples of other countries. Right from the onset of the war, our party already voiced its confidence in the final victory of the democratic forces in this great sacred war and began to make preparations, step by step, to seize the opportunity for a revolution in the country.

We Vietnamese who have identified our War of Liberation with the triumph of the October Revolution and with the fight against Nazi fascism in Europe and Japanese militarism in Asia, are all the more aware of the historic significance of the victory of the Soviet Union and the other anti-fascist forces.

The resounding victory of the Soviet people and army and the world people as a whole in World War II has created extremely favourable conditions for the revolution of Asian nations, such as Vietnam, and other countries to triumph or to develop. The organizer and leader of the Vietnamese revolution, our party, more than any one else, clearly understands the significance of this victory and the great impact it exerted on the success of the August 1945 revolution and the profound changes in our country over the past 40 years. Party Central Secretary Le Duan has said: "The success of our August Revolution is inseparable from the victory of the Soviet people and Red Army over Nazi and Japanese fascism."

Well prepared for the opportunity, our party launched in good time partial insurrections to seize power throughout the country in spring 1945, founded the first and only worker-peasant state at that time in Southeast Asia. That was one of the direct upshots of the victory over fascism, and at the same time an important factor to help strengthen the outcome of the war.

It is actually in that spirit that the Vietnamese people celebrate solemnly the 40th anniversary of the victory over Nazi fascism and Japanese militarism in this year which is also the 40th anniversary of the August Revolution and the foundation of the Democratic Republic of Vietnam. Those events are closely related.

We shall seize upon this opportunity to broaden the achievements we have obtained, increase our efforts in the discharge of the dual task of building socialism and defending our socialist fatherland. At the same time, the

anniversary serves as a reminder for us to redouble our vigilance over the aggressive schemes of imperialism, Chinese expansionism and hegemonism and international reaction, and to work harder for peace in Southeast Asia and the whole of Asia, and for the defense of peace on our planet.

Of late, the Chinese expansionists and hegemonists publicly and arrogantly threatened to teach Vietnam "a second lesson." Obviously, they have not learnt their own lesson of 1979. Our people cherish peace, but never shall we fall back from threats. We have calmly met threats of all sorts. Those who have tried to teach us lessons have all received fighting lessons.

Celebrating this great victory, we will make it a demonstration of the solidarity of the peoples in socialist countries as well as of the whole progressive mankind, and a reaffirmation of our determination to do all we can to preserve peace and foil the war schemes of the imperialists, the Beijing expansionists and hegemonists and all the other reactionary forces.

Southeast Asia: 40 years after the victory over Hitler fascism and Japanese militarism, Minh Luan, deputy-head of the Vietnam Social Sciences Commission's Department for Southeast Asian Affairs,

... the victory over Hitler fascism and Japanese militarism in World War II, in which the Soviet Union played the decisive role, had brought about the following results:

The world socialist system, of which the Soviet Union is the mainstay, was formed, and has grown constantly to become the decisive factor for the development of human society.

The national liberation movement has vigorously developed, breaking the imperialists' colonial system. More than 100 colonial and dependent countries have regained their right to become masters of their own destiny to various extents.

The workers and progressive people's movement has strongly developed in various centres of imperialism, directly attacking international imperialism right at its headquarters.

International capitalism has been shrinking and weakened as a result of attacks from all directions, from outside and right in its heart.

U.S. imperialism, which lost little and gained a lot in War World II, has emerged as the ringleader of international imperialism and the international gendarme. In an attempt to ward off the collapse of international capitalism and dominate the world, the U.S. imperialists have spread their interventionist tentacles to all places. Together with their followers they set up the North Atlantic Treaty Organization (NATO) in 1949 in the West, the CENTO in the Middle East, and the Pan-American in Latin American. In East Asia, the U.S. imperialists signed bilateral agreements with Japan, Taiwan and South Korea.

In Southeast Asia, the U.S. imperialists were very concerned about the fact that North Vietnam, after the historic Dien Bien Phu victory and its complete liberation, has embarked on the period of transition socialism. In September 1954, together with the British and French imperialists and other reactionary forces in the region, they set up the Southeast Asia Treaty Organization (SEATO) with a view to: (1) opposing the revolution in the three Indochinese countries. Perpetuating the partition of Vietnam and turning South Vietnam into their colony of a new type and a military base to attack the North; (2) threatening and curbing the national liberation movement in Southeast Asia and the rest of Asia; (3) preventing socialism from spreading in Southeast Asia.

After ousting the French, the U.S. imperialists directly seized control of South Vietnam, and put Ngo Dinh Diem into power to serve as their henchman. They sought every way and means to prevent the implementation of the Geneva Agreement. Following the collapse of their "special war" strategy, the U.S. launched a "limited war," committing American GIs for a direct invasion of South Vietnam on the one hand and conducting an air and naval war of destruction against the North on the other, together with expanding its war of aggression to Laos and Kampuchea. Joining the U.S. aggression were troops of Thailand, South Korea, Australia, the Philippines, etc. However, the U.S. imperialists and their followers' crusade against the national independence and socialism in Indochina came a cropper.

The victory of the Vietnamese and other Indochinese peoples over the U.S. imperialists is an unprecedented victory in the history of the national liberation movement in Asia, Africa and Latin America, and the biggest of progressive mankind after the victory over Hitler fascism and Japanese militarism. The victory of Vietnam, Laos and Kampuchea over the U.S. imperialists has dealt the heaviest blow ever at the enemy of the national liberation movement and heralded the unavoidable complete bankruptcy of neo-colonialism.

The victory in 1975 of the Indochinese peoples has opened up a new stage for all the three Indochinese countries, in which the independent and reunified Vietnam as well as the whole of Laos have embarked on the period of transition to socialism. Kampuchea would have faced the same opportunity right in mid-1975 had it not been for the destruction by the Pol Pot gang, lackeys of the reactionary forces within the Beijing ruling circles. This was made possible only after the overthrow of the Pol Pot clique in January 1975.

Following the U.S. imperialists' heavy defeat which forced them to withdraw from Indochina, Chinese expansionism and hegemonism has emerged as the dangerous and direct enemy not only of the three Indochinese countries but of all countries in Southeast Asia and South Asia as well. This is the oldest expansionism and hegemonism in human history. China ruled Southeast Asian countries over a long period in the past, and even now it still considers Southeast Asia as its zone of influence.

At the August 1965 meeting of the Political Bureau of the Chinese Communist Party Central Committee, Mao Zedong revealed the Chinese rulers' dark design: "...we must take Southeast Asia, including South Vietnam, Thailand, Burma, Malaysia and Singapore. Southeast Asia is a very rich region with plenty of deposits... After taking Southeast Asia, we will be able to increase our might so as to confront the Soviet bloc in Eastern Europe. The east wind will prevail over the west wind..."

The Chinese rulers further calculated: "Sichuan Province of China has the same area as that of Thailand, but Thailand's population is only half of Sichuan's. Therefore, the Chinese should emigrate to Thailand. Laos has a large land area, but is sparsely populated; China should send Han people to settle there. The Chinese make up more than 90 percent of Singapore's population; hence, Singapore should become a Chinese-run state."

In order to achieve its expansionist and hegemonistic objectives in Southeast Asia, Beijing has set up various reactionary organizations among the Chinese residents and used Maoist parties to interfere in the internal affairs of many Southeast Asian countries.

The three Indochinese countries have become the main target of Chinese expansionism and hegemonism because China reckons that only if Vietnam is conquered can it control the entire Indochinese peninsula and remove the obstacle to Beijing's expansionist drive toward Southeast Asia. Following the U.S. imperialists' withdrawal from Indochina, Beijing attempted to "fill the vacuum." By proxy of the genocidal Pol Pot clique, it hoped to make Kampuchea a springboard to attack Vietnam, Laos and other Southeast Asian countries. In the hope of bringing the Vietnamese people to their knees Beijing conducted two aggressive wars against Vietnam, across the southwestern and northern borders of this country. Yet beaten by the Vietnamese people and army and strongly condemned by the world public, the Chinese aggressors had to pull out, black and blue. But Deng Xiaoping and his followers have not resigned themselves to defeat, instead have threatened to give Vietnam "a second lesson or "more lessons." [quotation marks as received] In fact, they have stepped up their acts of armed provocations and sabotage against Vietnam, Laos and Kampuchea. From the above-mentioned facts, we can make the following remark:

Prior to 1975, the main contradiction in Southeast Asia was that between the forces of democracy, peace, national independence and socialism on one side and the U.S. imperialists in collusion with the Chinese expansionists and other reactionary forces on the other. But since 1975, the main contradiction in Southeast Asia has been that between the forces of peace, national independence, democracy and socialism on one side and the Chinese expansionists and hegemonists in collusion with the U.S. imperialists and other imperialist and reactionary forces in the region on the other.

Since the victory over Hitler fascism and Japanese militarism, the situation in Southeast Asia has experienced the following basic changes:

1. The colonial system of the imperialists has completely broken down due to the continuous attack by nations in the region, especially the stormy attacks by the Indochinese peoples.

2. The U.S. imperialists in their capacity as the ring leader of imperialism, jumped into Indochina in an attempt to threaten Southeast Asian countries. But they have sustained heavy failures. U.S. neo-colonialism in particular and neo-colonialism in general has failed to check the national liberation and social movements in Southeast Asia as well as in other countries, instead has experienced repeated setbacks.

3. Chinese expansionism and hegemonism has emerged more and more as the dangerous and direct enemy of nations in Southeast Asia and many other areas in the world. The reactionaries within the Beijing ruling circles regard Southeast Asia as their back-yard, and Vietnam as the main obstacle to their expansion to Southeast Asia. They have put into practice the great Han doctrine of expansionism and nurtured the ambition to dominate the world. At the present stage, Southeast Asia is the main target of their expansionist strategy.

To materialize their expansionist and hegemonistic aims in Southeast Asia, the reactionaries among the Chinese ruling circles are applying a specific strategy to each country in the region and are resorting to the "divide-and-rule" policy toward all of them.

4. Realities before and during World War II in the world and in Southeast Asia in the 40 years since World War II have shown that it is imperialism, colonialism, Japanese militarism and Chinese expansionism that lie at the origin of the instability in Southeast Asia. They are the enemies of the forces of national independence and unification, sovereignty and social progress in Southeast Asia.

Today, the Chinese expansionists and hegemonists are increasing their collusion with U.S. imperialists, the Japanese militarists and other reactionary forces in the region to oppose national independence, peace and security of Southeast Asian peoples.

To cover up and plead for their policy and acts of aggression, expansion, intervention and subversion, the U.S. imperialists and the Beijing reactionaries have worked out very wicked plans. While in the past the U.S. imperialists used the "communist bogey" and the domino theory to threaten Southeast Asian countries and cover up their policy of aggression. Today, the Beijing reactionaries, brandishing the bogey of "small hegemonist Vietnam" to threaten Southeast Asian countries, are trying to divide Vietnam from other Southeast Asian countries and cover up their expansionist and hegemonistic policy.

5. Forty years after the victory over Hitler fascism and Japanese militarism, the face of Southeast Asia has basically changed:

a. colonial and dependent countries in the past, the Southeast Asian countries have now become sovereign countries.

b. almost all the imperialists, from the U.S. imperialist ringleader, to the French imperialists, the Japanese imperialists, the Netherland imperialists and the British imperialists, have been defeated in Southeast Asia. The Chinese expansionists and hegemonists have also suffered repeated setbacks in Southeast Asia.

c. Through their extremely fierce, protracted and complicated national and class struggles, the Southeast Asian peoples, first of all the Indochinese peoples, have recorded resounding victories, changing the balance of forces in Southeast Asia more and more in favour of peace, national independence, democracy and socialism.

d. from a "spectre" socialism has become a reality in Southeast Asia. The Vietnam-Laos-Kampuchea community is a typical reality of the world socialist system.

e. The six Asian countries which have taken the capitalist path are peacefully coexisting with Vietnam, Laos and Kampuchea which have chosen the socialist path.

Though belonging to different social systems, these two groups of countries have every reason to coexist and contribute together to turning Southeast Asia into a region of peace, friendship, cooperation, prosperity, without interference from the imperialists and the expansionists. [passage omitted listing "main events in March 1985]

CSO: 4200/731



ECONOMIC PLANNING, TRADE AND FINANCE

SOCIOECONOMIC DEVELOPMENT OF MOUNTAIN AREAS URGED

Hanoi NHAN DAN in Vietnamese 4 Feb 85 pp 1, 4

[Editorial: "Mastery of Hilly and Mountainous Regions"]

[Text] Three-fourths of our country is covered by hills and mountains. They are regions which have vast potentials in water conservancy, hydroelectricity and minerals with great biological prospects and which are important because of their forestry, agricultural and industrial production and because they yield raw materials for the processing industry and for export. They are inhabited by many fraternal tribes belonging to the great Vietnamese national family and were used as revolutionary base areas during many periods of time. Protecting and developing the ecological system of hilly and mountainous regions is highly significant in that it will make it possible to protect the source of water for the deltas and to safeguard the life environment for the whole country. The mountainous regions are also in an especially important position from the socioeconomic, national defense and security points of view. Developing the economy of hilly and mountainous regions means exploiting the strength of a vast area of the fatherland and constitutes an important strategic trend within the overall socioeconomic strategy of the entire country.

Under the party leadership and the socialist state management, the ethnic minorities in hilly and mountainous regions have gradually advanced to master society, nature and themselves and have striven to score definite achievements in economic reform and development. With the exploiting class having been eliminated, the new production relationships established and the cultural, educational and public health undertakings expanded, the ethnic minorities are living in unity and equality and have made and are making a worthy contribution to building and defending the socialist fatherland. The emergence of new factors during the performance of two strategic missions has proven that the mountainous regions possess huge potentials. The achievements registered have demonstrated that if a correct working method is applied, the hilly and mountainous regions will be able not only to produce enough to maintain their population but also to develop their own strength to enrich the country and themselves and, in a not very far future, to build a beautiful and happy life for the tribal people.

In the recent past, because of their failure to thoroughly understand and creatively implement the policy of associating transformation with construction in a manner suitable to the natural and socioeconomic characteristics of each hilly and mountainous region, some localities engaged in collectivization have dissociated state-operated and collective units from individual families, sluggishly introduced technical advances into production and neglected for a long time to link the work force in hilly and mountainous regions to the exploitation of forest hills, which should have been considered the object of labor; cooperatives have been pushed into a situation where they could grow only one crop just for self-sufficiency; forests have been destroyed, agriculture has been separated from forestry, and production from circulation; the alliance between hilly and mountainous regions and cities and other areas in the country has been formed slowly. In short, the three revolutions have been conducted only restrictively and separately and the right to collective ownership of the people and ethnic minorities in hilly and mountainous regions has not yet been strongly developed. The agriculture-forestry-fishing economy and the processing industry have been developed slowly, the huge potentials and strengths have not yet been developed, forest destruction has been going on, production relationships are still unstable and the ethnic minorities still face numerous difficulties in their lives.

Strengthening agriculture-forestry-fishing cooperatives and perfecting production relationships in the hilly and mountainous regions in conjunction with the simultaneous conduct of three revolutions are important tasks aimed at developing the socialist collective ownership system in these regions and creating a strong motive power to step up the completion of two strategic missions. It is necessary for scientific and technical agencies to focus on seeking ways to render service, to rapidly introduce technical advances into agricultural, forestry and fishing production and into the processing industry according to the economic structure of hilly and mountainous regions and also to develop communication means, water conservancy, small-scale hydroelectricity and mechanical engineering as well as agriculture-forestry product processing installations. Cooperatives in hilly and mountainous regions must be turned into ones with an agriculture-forestry-fishing or forestry-agriculture-fishing industrial structure; the habit of paying attention to farmland only while neglecting forestry and the development of various sectors and occupations must be given up; real efforts must be made to carry out intensive cultivation in the agricultural and forestry domains. It is necessary to link state economic installations with collective units, families and individuals, to associate production with processing and circulation in each regional and district area and to consider grain production important to on-the-spot rear service while at the same time developing the strength of each region and district.

Since it is very difficult to implement agricultural cooperativization in scattered areas, it is necessary to adhere firmly to the advance-from-low-to-high-level formula, to apply flexible forms of cooperativization suitable to regional socioeconomic characteristics and to eliminate the formalistic tendency toward large scale which has produced little effect. The system of establishing product contracts with labor groups and individual laborers must be improved according to the characteristics of hilly and mountainous regions

without rigidly following any single pattern and also without slackening management. Productivity, quality and economic effect of production are yardsticks to evaluate specific forms of production organization and management.

In view of the present situation, the important measures to be taken to develop production in the hilly and mountainous regions are to complete the transfer of lands and forests, to reorganize production in cooperatives and state-operated installations by combining agriculture, forestry and fishing, to coordinate production with processing and with the development of various sectors and trades, to reorganize the peasantry in conjunction with building suitable material-technical facilities, to strengthen the alliance between state-operated installations, collective units, families and individuals to create an aggregate strength, and flexibly to employ economic forms from low to high level. Because hilly and mountainous regions are productive ones which have many strong points but are faced with many difficulties, a policy must be promulgated to stimulate their collective economy and develop their socioeconomic situation.

Socioeconomic development of the hilly and mountainous regions is a duty of the entire party, army and people--primarily of the localities covered by hills and mountains and the units stationed there. Districts are important strategic areas to develop the right to collective ownership and simultaneously to conduct three revolutions in the hilly and mountainous regions. Selecting, improving and training uniform cadres are prerequisites for carrying out extensive and realistic programs involved in perfecting the socialist production relationships and developing a strong and stable economy for the hilly and mountainous regions.

9332

CSO: 4209/254

## ECONOMIC PLANNING, TRADE AND FINANCE

### PARTY SECRETARIAT DIRECTIVE ON MOUNTAIN REGION DEVELOPMENT

Hanoi NHAN DAN in Vietnamese 4 Feb 85 p 2

[Passages enclosed in slantlines printed in boldface]

[Text] As reported by NHAN DAN, on 29 January 1985, the party Central Committee Secretariat issued a directive on consolidating and strengthening socialist production relationships in the mountainous rural areas. Following is the full text of the directive:

#### I. Present State of Cooperativization in the Mountainous Regions

Over the past years, tribesmen in our country have warmly responded to the party line and policy, enthusiastically participated in the cooperativization movement and conducted three revolutions to gradually take the mountainous regions to socialism. In the northern mountainous region, socialist production relationships have been widely established. Ever since liberation day, tribesmen in the southern mountainous region have zealously participated in building production solidarity teams, production collectives, cooperatives and state farms and forestry sites to develop production and build new rural areas. The change in production relationships has created a new productive power, promoted the development of production, technique and culture, actively contributed to consolidating national defense and security and to strengthening the various nationalities' united bloc, and gradually changed the appearance of mountainous regions.

However, the cooperativization movement in mountainous regions has neither been stabilized nor met the need to develop agriculture, forestry and the processing industry with a view to improving the tribesmen's living standard, to positively resolving the rear service problem on the spot and to providing an increasingly large amount of raw materials for industry and goods for export. The economy of many mountainous areas is still deeply entrenched in its natural form characterized by the agricultural method of planting only one crop and increasing its yield merely by expanding the cultivated area, by the continuous destruction of forests and by the slow development of handicrafts, with the result that the people's life is still faced with difficulties and shortages. In many places, cooperatives have remained weak for a long time or existed only for the sake of appearance.

The above-mentioned situation is due to the failure of various echelons and sectors to understand thoroughly the party line on agricultural transformation and development and to apply it in strict accordance with the socioeconomic characteristics of each locality in the mountainous regions. /The guidelines for combining agriculture with forestry and processing industry/ have been neither determined to suit each region nor implemented satisfactorily by each production installation and on the district scale. /Cooperatives are still organized automatically after the fashion/ and experiences of cooperatives in the rice-growing deltas and are still applying the latter's production guidelines and organizational form and scale. The state and collective economic management method is still profoundly influenced by an excessively bureaucratic management mechanism. Many state economic units have been unable to expand their activities and have continuously suffered business losses. Insufficient capital /investments/ have been made to build material-technical bases, to introduce scientific and technical advances into production and to improve the people's material and cultural life. The existing /policies/ aimed at developing the strength of mountainous regions have not yet been implemented properly and there still is a lack of specific policies suitable to the new situation and tasks. The /training and advanced training of cadres and the assignment of more cadres/ to production installations and districts in the mountainous regions has not yet been rigorously guided.

## II. Policy of Consolidating and Strengthening Socialist Production Relationships in Mountainous Rural Areas

Covering three-fourths of our country area, the mountainous regions hold an especially important position from the political, economic, national defense and security and social points of view; in the economic field, there are important forestry, agricultural and industrial regions which play a major role in safeguarding and ensuring ecological balance and protecting the environment for the whole country. Strongly developing agriculture, forestry and industry in the mountainous regions is, therefore, /a spearhead/ in the socioeconomic development strategy of our country.

In conjunction with building up districts and strengthening the district level, /it is urgently necessary to consolidate and reinforce socialist production relationships in the mountainous rural areas to meet the following requirements/:

--It is necessary to establish and develop the tribesmen's right to socialist collective ownership; to step up three revolutions; to develop agriculture, forestry, handicrafts and industry comprehensively, vigorously and appropriately to the strength of each region so as continuously to improve the tribesmen's living standard; to resolve the rear service problem on the spot and to build up the socialist mountainous rural areas; it is necessary to supply even more raw materials to the processing industry and to rapidly increase the amount of export goods, thus positively contributing to nationwide socialist industrialization.

Concerning production relationships, it is necessary to apply various cooperativization forms flexibly from low to high level and to broadly implement the policy of establishing product contracts with labor groups and individual laborers according to the production characteristics of each unit and region.

--A positive contribution must be made to consolidating and reinforcing national defense and security.

--The tribal united bloc must be consolidated and reinforced.

--To meet these requirements, /the following policies must be carried out satisfactorily/:

/1. Thorough completion of land and forest transfer/

On the basis of the overall project and the labor-land (forests, hills, fields and water surface) proportion in each village and production installation, districts must immediately transfer lands and forests to production units (such as state farms and forestry sites, cooperatives, production collectives, production solidarity teams, schools and army units).

State farms and forestry sites must reconsider their production and business capacities, redetermine a rational scale and quickly return unused areas to districts for redistribution to other units.

Districts must specifically direct cooperatives and production collectives to transfer lands and forests to cooperative members' families while the administration must hand over lands and forests to individual peasants (where collective production relationships have not yet been established) for cultivation and caring to an extent suitable to each area.

/2. Formulation and implementation of a sound economic structure conformable to the situation in each region and production installation/

It is necessary to implement the guidelines on combining agriculture with forestry and various sectors and occupations right within each basic production unit according to the overall project and plan of each district, to abolish the one-crop system and to coordinate grassroots production reorganization and development with the reorganization and development of agriculture, forestry and industry (or forestry, agriculture and industry) on the district and provincial scale.

The particular situation in each area must be taken into account in deciding to focus mainly on either forestry or the development of industrial crops, animal husbandry or grain production, but it is still necessary to combine production with business activities; attention must be paid to using lands fully to produce early-harvest crops and to associating production with processing to improve product quality and value. Wherever rice-cultivated lands are too small and scattered, cooperatives and production collectives must entrust them to cooperative members' families for rice cultivation and then concentrate on strongly developing the hill and forest economy.

Every production installation must fully use any land suitable for grain production, try to intensively cultivate all grain crops (including rice and subsidiary food crops), properly organize the processing of subsidiary food crops and gradually improve the people's meal composition to increase grain output and solve the food problem on the spot; on the other hand, a solution to this problem can be found through economic cooperation and alliance and product exchange with other areas and also through import and export; the bad habit of destroying forests to burn them into slash-burn upland fields must be firmly restricted and eventually abolished. Provinces and districts must try to invest more in building material-technical bases, to acquire more technical means (seeds, fertilizers and insecticides) and vigorously to apply scientific and technical innovations in order to rapidly increase the productivity and volume of production of grain and food crops and quickly develop the strength of each locality.

The exchange and circulation of goods between various production units and economic components in mountainous regions must be broadened, district seats and townships established in socioeconomic centers and near rural markets, and a network of state trade storehouses and marketing cooperatives created. The state commercial sector and marketing cooperatives must organize the purchase and collection of goods. Economic exchange between mountainous regions and the lowlands and cities must be widened.

In conjunction with production and lifestyle reorganization at each production installation, the settlement of nomads must be carried out satisfactorily.

### /3. Organized production forms and management methods/

Diverse and appropriate forms of production organization must be employed according to the characteristics of each locality and sector and from /state and collective units to families and individual producers/; these organizational forms must be closely combined to link the state, collective, familial and individual economies together within the socialist economic structure.

a. /Concerning agricultural cooperatives/ in the lowlands whose scale has proven rational and consistent with the cadres' managerial standard, the existing scale must be stabilized, production units/ must be reorganized on a reasonable scale and the cooperative management method improved. Cooperatives may /share/ their production and business managing power /with these units/ and authorize them to employ their members' capital and labor to expand production and business activities to increase the cooperative members' income and sell more products to the state; cooperatives may also allow these production units to perform internal profit-and-loss accounting concerning part of their production. Each cooperative management board has the duty to draw an overall plan to endow production units sufficiently with principal means according to the production and product delivery plan of the cooperative; the cooperative management board must manage the building of material-technical bases and common welfare works of the cooperative and form an alliance with state-operated production, technical service and circulation installations and with marketing and credit cooperatives in order to meet the cooperative's need for capital, materials and consumer goods and to sell its own products.

--In localities which have just started doing business collectively or rebuilding cooperatives after their repeated disintegration, it is necessary to readjust lands and fields, to reformulate the production trend and management method, to reassess the amount of work to let out on contract as well as the contract rate and to organize /small-scale one-echelon cooperatives similar to production collectives in Nam Bo/. In general, it is advisable to set up compact cooperatives in each montagnard hamlet and village to facilitate the cooperative members' daily commutation and activities and to suit the cadres' managerial capabilities. In large montagnard hamlets and villages, it is possible to set up two or three small cooperatives which will do business jointly and share capital and labor to build material-technical bases and common welfare works in these hamlets and villages.

--Cooperatives must correctly apply the distribution-according-to-labor principle and, if their particular situation permits, may distribute income on the basis of capital investment (share profit) to their members to encourage them to contribute additional capital above and beyond the general norm.

--It is necessary to implement the policy of /end-product contracting/ with labor groups and individual laborers according to the peculiarities of each productive and business sector and occupation, to the managerial capabilities of cadres and to the existing material-technical facilities of cooperatives in each region without automatically following any fixed pattern. In general, it is necessary to clearly determine the amount of work to let out on contract and to fix the contract rate and time limit according to each category of land and each kind of crop and domestic animal and to the cooperatives' real ability to secure enough material means; cooperative members may be allowed to inherit perennial plants grown on contractual land; contractual land and rate must be stabilized for some period of time to motivate families to exceed the contract norm.

In view of the specific conditions in each region, cooperatives or production units may assume only the principal technical service and tasks and the supply of essential materials and contractually let out the remaining work to the cooperative members' families. Right now, it is possible to allow these families to receive on contract many types of land to yield many kinds of products and simultaneously to carry out afforestation, crop cultivation, animal husbandry and other occupations; however, it is also necessary gradually to let out on contract the cultivation of some crops, the raising of some domestic animals and the practice of some occupations to each family according to its capabilities. In areas where production depends mostly on natural conditions and where cooperatives are still unable to bear production expenditures and to assume technical service and tasks, these cooperatives may contract out to families the principal expenditures together with the amount of products to be delivered to the collectives. In areas with infertile and depleted soil, cooperatives may contract out the planting of trees to cover barren hills, the restoration of natural forests and the cultivation of special crops according to plan to each household or each household group, provided they have enough laborers and experience; these households and groups of households will be allowed to reap benefits just as in the case of household economy.



b. In a number of Meo highlands where the population is very scarce, where production means are too rudimentary and insufficient, where communications are very difficult or where combat readiness must be constantly maintained, it is possible to /maintain individual production/ without absolutely having to found cooperatives and production collectives; nevertheless, peasants must be organized into /production solidarity teams/.

c. /Marketing cooperatives/ must be widely set up everywhere in the mountain regions with shops to be opened in hamlets and villages to purchase products, to supply materials and consumer goods to cooperatives and peasant families in every hamlet and village and to strive to master the market; the activities of /credit cooperatives/ must be developed and intensified to mobilize the people's capital to promote collective production and business, to aid families lacking in labor and capital and to create conditions to eliminate loansharking in rural areas.

d. Along with consolidating and reinforcing collective production relationships in the mountainous rural areas, special attention must be paid to developing industry, tool producing handicrafts and the processing industry and to consolidating, stabilizing and strengthening state industrial enterprises, state farms and forests and state installations which provide agricultural-forestry-fishing-industrial technical service and other commercial and daily services--all that with the aim of enabling the state economy in districts to play the central role of leading production, processing and consumption.

The relations between the district state economy and the cooperative economy and other economic forms must be materialized through technical service activities, two-way contracts and the organization of product purchase and consumption.

e. Mountainous districts must properly organize the economic alliance of all economic units within the district scope and actively seek an alliance with the lowland districts to secure capital and labor to exploit land, develop agriculture and forestry and further expand various sectors, trades and industries.

f. State-operated agricultural, forestry and fishing installations which are subordinate to the central and provincial level and are located in large specialized-cultivation zones included in district areas are subjected to the territorial management of district people's committees and have the duty to coordinate with the collective, household and individual economies in production and business activities in order to rationally use material-technical facilities and labor in these areas.

/4. Accelerating the building of material-technical bases and intensively applying scientific technical advances in production/

It is necessary quickly to disseminate and apply scientific-technical advances, especially biological achievements, and to coordinate this task with the development of valuable local experiences in order to increase productivity and output and improve the quality of all cultivated crops and raised animals in conformity with the soil and climatic conditions of each region.

The greatest importance must be attached to building medium- and small-sized water conservancy and hydroelectric works and agroforestry product processing installations.

Priority investments must be made to develop /communication roads and transport means/. It is necessary rapidly to build main roads on important and strategic economic areas and other roads from provinces to districts and from districts to economic centers. It is necessary to increase mechanized transport means on main roads, to encourage the development of rudimentary and semimechanized transport means and to organize various forms of collective and private transport.

#### /5. Cultural development, building of new socialist rural areas/

While consolidating and reinforcing production relationships and developing production, it is necessary to step up the building of new socialist rural areas, to pay attention to eliminating illiteracy and providing supplementary education for tribesmen, to properly organize the children's education, to expand the public health network and the prophylactic sanitation movement and to motivate tribesmen to give up superstitions.

### III. Organization of and Guidance for Task Execution

The whole country is responsible for cooperativization and for the development of agriculture, forestry and processing industry in the mountainous regions.

1. Party committees and the administration at various echelons in the mountain regions need to further heighten their spirit of self-help for self-improvement and to take the initiative to move forward to bring into full play the capabilities of local party organizations and administration in carrying out this important mission.

It is necessary to consider it particularly important to perfect and strengthen the district level and quickly to complete the decentralization of districts to make them really strong enough to reorganize and develop their forestry-agro-industrial or agroforestry-industrial economy, to improve economic management on the district scale, to direct and help villages and basic production units to reorganize and develop production, and ceaselessly to consolidate and reinforce the socialist production relationships in the mountainous rural areas.

Every effort must be exerted to consolidate party bases, the administration and mass organizations to make them wholesome, stable and strong; urgently to train and improve grassroots cadres and assign more cadres to installations situated in important and strategic but still weak areas; to intensify mass proselyting activities, to bring into play the people's right to collective ownership and to launch at all costs a seething revolutionary people's movement with the objective of strengthening the socialist production relationships, developing production and building the new socialist rural areas.

Provincial party and people's committees and all sectors--especially the economic one--at the provincial level must have a specific plan to lead districts and production installations to properly reorganize and develop production, to consolidate and reinforce production relationships and to improve economic management; these committees and sectors must also keep abreast of the actual situation, intensively control and urge task implementation by the lower and grassroots levels and regularly review and recapitulate experiences in order to promptly to develop good models and new factors and correct and eliminate deviations.

2. Centrally run sectors must use the present directive to revise their current policies and plans and their responsibilities for economic development, consolidate and reinforce the socialist production relationships in the mountainous regions with the aim of completing the necessary policies within their leadership scope, and must actively guide mountainous localities and give them opportunities to perform this mission satisfactorily.

The Propaganda and Training Department must guide propaganda and press agencies to intensively propagandize the consolidation and reinforcement of socialist production relationships in the mountainous rural areas.

The Central Committee Organization Department must draw up a plan urgently to assign more cadres to provinces and districts in the mountain regions.

The Central Committee Agriculture Department and various sectors in the agricultural bloc have the duty to help the Secretariat start implementing the present directive.

9332

CSO: 4209/254

LABOR

LABOR DISTRIBUTION PLANNED FOR 233 DISTRICTS NATIONWIDE

Hanoi NHAN DAN in Vietnamese 4 Feb 85 p 1

[Text] In 1984, 193 districts (representing 45 percent of their total number) across the country completed projects on labor distribution and employment on the district scale. In spite of different levels of achievement, districts have generally controlled the labor source more strictly from the points of view of quantity, quality, age groups, professions as well as the population growth rate; based on these data, they have perceived more clearly the actual state of labor distribution and employment within their own territories.

In 1985, there remain as many as 233 districts--nearly 55 percent of their total number--which will have to continue planning the distribution and employment of labor. This situation requires that the labor management sector and all localities make outstanding efforts to complete this task by the end of this year. In view of the urgent need to successfully achieve four targets indicated by the Fifth National Party Congress and to carry out the 1985 socioeconomic development plan, the labor management sector is concentrating on formulating projects on labor distribution and employment in the remaining districts. While formulating labor projects, importance must be attached to assessing the present state of labor distribution and employment, to taking firm hold of the huge land, labor and professional potentials and to setting forth guidelines and measures to attract all labor forces to the production of great wealth for the society's benefit. At present, there still are great possibilities of expanding the farming area in districts: From 12,000 to 14,000 hectares in each of the following regions: Bac Bo delta and former Zones 4 and 5; 53,000 hectares in east Nam Bo; 20,000 hectares in the Mekong River delta and so on. Even in localities with a small land area and a large population such as Thai Binh and Hanoi, there still are 5,000 to 10,000 hectares of irrationally used land. For this reason, in distributing and using agricultural labor, the basic trend for districts in the current year is to exploit all existing land potentials--especially where fallow lands are scattered--and to coordinate this task with intensive cultivation, multicropping and expanding the areas in grain and industrial crops for export purposes. Many localities have ascertained the existence of 106 readily exploitable areas of about 100 hectares each and formulated guidelines to perform production and to move and distribute the work force and population to these areas.

HEALTH, EDUCATION AND WELFARE

NGHIA BINH PROVINCE 10 YEARS AFTER LIBERATION

OW020831 Hanoi VNA in English 0708 GMT 2 Apr 85

["Nghia Binh Province Ten Years After Liberation" -- VNA headline]

[Text] Hanoi VNA April 2 -- Overcoming heavy consequences of war, the central Vietnam province of Nghia Binh -- a merger of the former provinces of Quang Ngai and Binh Dinh -- increased its food output by 40 percent in 1984 compared with 1976.

During the U.S. war of aggression, two-thirds of Nghia Binh's villages and hamlets were destroyed, two-thirds of its arable land were left fallow as more than 60,000 of its inhabitants had been herded into concentration camps.

Right after its liberation in 1975, Nghia Binh focused its efforts on boosting food production, step by step taking agriculture onto the way of comprehensive development as the basis for the development of local industries.

Food output increased year after year, in 1984, although the crops were badly affected by floods and typhoons, the province produced more than 590,000 tons of food, up by 40 percent over 1976.

Its herds of buffaloes and cows increased by 66 percent, and 70 percent more pigs were raised.

The acreage and output of industrial crops such as sugar cane, tobacco, soya beans, groundnut, coconut and cinnamon were also increased rapidly.

Two-thirds of the agricultural cooperatives or production collectives have assumed the additional task of managing and exploiting 155,000 hectares of forest land and forests previously left untouched or partly damaged by slash-and-burn farming. They also have planted more than 30,000 hectares of new forests.

Nghia Binh achieved 1.5 billion dong for its industrial and small industrial production in 1984, a threefold increase over 1976.

In the past ten years, besides concentrating efforts on solving the food problem, Nghia Binh has set up hundreds of industrial enterprises; mechanical engineering, rubber articles, sugar presses, frozen food, etc...

Socialist production relations were established alongside the scientific-technical revolution, and the cultural-ideological revolution.

Many new technological advances in irrigation, crop-structuring, varietal improvement and animal hybridization have been introduced.

CSO: 4200/731

END